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UNITED STATES DISTRICT COURT  
CENTRAL DISTRICT OF CALIFORNIA

ANTHONY LEOCADIO, MARK  
FRANEY, JOHN JORDAN, ET AL.,

Plaintiffs

vs.

FCA US LLC; and FIAT CHRYSLER  
AUTOMOBILES N.V.,

Defendants.

CASE NO. \_\_\_\_\_

**COMPLAINT AND JURY DEMAND**

## I. INTRODUCTION

Plaintiffs allege the following against auto manufacturer/distributor FCA US LLC and its corporate parent Fiat Chrysler Automobiles N.V. (together, “Fiat Chrysler” or “Defendants”); based where applicable on personal knowledge, information and belief, and the investigation of counsel.

## II. NATURE OF THE ACTION

1. This action relates to the Fiat Chrysler’s promotion and sale of EcoDiesel® branded diesel-powered light trucks and SUVs. Defendants advertised these vehicles as offering efficient fuel economy, desirable performance, and clean, environmentally friendly emissions. In reality, these vehicles, like the well-known Chrysler diesel vehicles, were equipped with a software algorithm—a “defeat device”—designed to cheat and avoid federal and state emission testing for oxides of nitrogen, and thereby deceiving the Environmental Protection Agency (“EPA”) and other regulators, including state regulators, into approving for sale hundreds of thousands of non-compliant vehicles.

2. The defeat device consists of software installed on engine management systems that detect when the vehicle is undergoing emissions testing versus driving on the road. The defeat devices adjust the functioning of the vehicles’ sophisticated emissions controls to ensure that they would pass emissions testing. At other times, except when undergoing emission testing, these vehicles emit vastly more harmful pollutants than federal and state law allow.

3. Defendants promised low-emission, environmentally friendly vehicles with strong fuel economy and performance. Consumers believed and relied on these representations and, as a result, bought and leased over 100,000 EcoDiesel® vehicles. All the while, these consumers were unwittingly among the highest polluters on the road, despite having paid a premium for

1 purportedly clean vehicles. Defendants' warranties, advertising, and other statements about the  
2 vehicles' legal compliance, cleanliness, and environmental friendliness are patently false and  
3 misleading. These vehicles are hereinafter referred to as "Vehicles" or "Fraudulent Vehicles."

4 4. On January 12, 2017, the EPA revealed and acknowledged Defendants' deceit  
5 and issued a Notice of Violation to Defendants for violations of the Clean Air Act, 42 U.S.C. §§  
6 7401-7671q, and its implementing regulations.  
7

8 5. Also on January 12, 2017, the California Air Resources Board (CARB) issued a  
9 Notice of Violation to Defendants after detecting "auxiliary emissions control devices" in  
10 EcoDiesel® vehicles. The CARB announcement noted that the Defendants failed to disclose  
11 these devices, which "significantly increase" NOx emissions when activated.  
12

13 6. Plaintiffs are individuals and businesses who purchased or leased a Fraudulent  
14 Vehicle in the United States. The Vehicles include the 2014–2016 Ram 1500 pickup truck and  
15 the 2014–2016 Jeep Grand Cherokee SUV when equipped with Fiat Chrysler's 3.0-liter  
16 EcoDiesel® engine.  
17

18 7. Defendants induced and tricked Plaintiffs into purchasing or leasing the  
19 Fraudulent Vehicles, which violate the Clean Air Act (among other laws) and, on top of that, do  
20 not perform as represented. Plaintiffs would not have purchased or leased the Fraudulent  
21 Vehicles had they known the truth of Defendants' fraudulent scheme and misrepresentations. In  
22 fact, no one would or could have purchased any of the Fraudulent Vehicles if not for Defendants'  
23 fraud. This is because the EPA Certificates of Compliance that rendered them legal to sell in the  
24 United States were obtained only by deception.  
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1           13. Plaintiff Mark Franey is a citizen of California residing in San Bernadino County,  
2 California. Mr. Franey purchased a new 2014 Dodge Ram 1500 EcoDiesel truck from  
3 Victorville Motors, Inc. in Victorville, San Bernadino County, California.

4           14. Plaintiff John Jordan is a citizen of Florida residing in Santa Rosa County,  
5 Florida. Mr. Jordan leased a new 2016 Dodge Ram 1500 EcoDiesel truck from Surf City Auto  
6 Group in Huntington Beach, Orange County, California.

7  
8           **Alabama Plaintiffs**

9           15. Plaintiff Anthony Conti is a citizen of Alabama residing in Jefferson County,  
10 Alabama. Mr. Conti purchased a new 2016 Dodge Ram 1500 EcoDiesel truck from Jim Burke  
11 in Birmingham, Jefferson County, Alabama.

12           16. Plaintiff Davis Williams is a citizen of Alabama residing in Jefferson County,  
13 Alabama. Mr. Williams purchases a new 2015 Dodge Ram 1500 EcoDiesel truck from Jim  
14 Burke in Birmingham, Jefferson County, Alabama.

15  
16           **Arizona Plaintiffs**

17           17. Plaintiff Joseph Sandavol is a citizen of Nevada residing in Clark County,  
18 Nevada. Mr. Sandavol purchased a new 2016 Dodge Ram 1500 EcoDiesel truck from Planet  
19 CDJ in Flagstaff, Coconino County, Arizona.

20  
21           **Colorado Plaintiffs**

22           18. Plaintiff Kevin Warren is a citizen of Kansas residing in Sedgwick County,  
23 Kansas. Mr. Warren purchased a new 2014 Dodge Ram 1500 EcoDiesel truck from Johnson  
24 Auto Plaza in Brighton, Madison County, Colorado.

**Florida Plaintiffs**

19. Plaintiff Robert Longboat is a citizen of Florida residing in Pinellas County, Florida. Mr. Longboat purchased a new 2016 Dodge Ram 1500 EcoDiesel truck from Dayton Andrews Dodge in St. Petersburg, Pinellas County, Florida.

20. Plaintiff Stephen Kotula is a citizen of Florida residing in Okeechobee County, Florida. Mr. Kotula purchased a new 2015 Dodge Ram 1500 EcoDiesel truck from Napleton Northlake Chrysler in Lake Park, Palm Beach County, Florida.

**Georgia Plaintiffs**

21. Plaintiff Kathleen Hodges is a citizen of Georgia residing in Emanuel County, Georgia. Ms. Hodges purchased a new 2015 Dodge Ram 1500 EcoDiesel truck from Georgia CDJ in Statesboro, Bulloch County, Georgia.

22. Plaintiff Paul Wages is a citizen of Georgia residing in Fulton County, Georgia. Mr. Wages purchased a new 2015 Dodge Ram 1500 EcoDiesel truck from Landmark Dodge in Morrow, Clayton County, Georgia.

**Hawaii Plaintiffs**

23. Plaintiff Justin Fagala is a citizen of Virginia residing in Prince William County, Virginia. Mr. Fagal purchased a new 2015 Dodge Ram 1500 EcoDiesel truck from Cutter CJD in Pearl City, Honolulu County, Hawaii.

**Idaho Plaintiffs**

24. Plaintiff Scott Bennett is a citizen of Idaho residing in Madison County, Idaho. Mr. Bennett purchased a new 2016 Dodge Ram 1500 EcoDiesel truck from Lithia CJD in Pocatello, Bannock County, Idaho.

**Illinois Plaintiffs**

25. Plaintiff Michael Butzen is a citizen of Illinois residing in Cook County, Illinois. Mr. Butzen purchased a new 2016 Dodge Ram 1500 EcoDiesel truck from Sherman Dodge in Skokie, Cook County, Illinois.

26. Plaintiff Jason Smith is a citizen of Illinois residing in Peoria County, Illinois. Mr. Smith purchased a new 2014 Dodge Ram 1500 EcoDiesel truck from Sam Leman in Peoria, Peoria County, Illinois.

27. Plaintiff Howard Purdue is a citizen of Illinois residing in Morgan County, Florida. Mr. Purdue purchased a new 2015 Dodge Ram 1500 EcoDiesel truck from Green Dodge in Springfield, Sangamon County, Illinois.

**Indiana Plaintiffs**

28. Plaintiff David Smith is a citizen of Indiana residing in Madison County, Indiana. Mr. Smith purchased a new 2014 Jeep Grand Cherokee from Ed Martin in Anderson, Madison County, Indiana.

29. Plaintiff Sheila Landes is a citizen of Indiana residing in Parke County, Indiana. Ms. Landes purchased a used 2014 Jeep Grand Cherokee from York Chrysler Dodge Jeep in Crawfordsville, Montgomery County, Indiana.

**Kentucky Plaintiffs**

30. Plaintiff Scotty Adams is a citizen of Kentucky residing in Estill County, Kentucky. Mr. Adams purchased a new 2016 Dodge Ram 1500 EcoDiesel truck from Glenn Freedom Dodge in Lexington, Fayette County, Kentucky.

1           31. Plaintiff Kathy Gillan is a citizen of Georgia residing in Fayette County, Georgia.  
2 Ms. Gillan purchased a used 2015 Dodge Ram 1500 EcoDiesel truck from Swope Mitsubishi  
3 Hyundai in Radcliff, Hardin County, Kentucky.

4           32. Plaintiff Harold Basham is a citizen of Indiana residing in Vanderburgh County,  
5 Indiana. Mr. Basham purchased a new 2014 Dodge Ram 1500 EcoDiesel truck from Audubon  
6 Chrysler in Henderson, Henderson County, Kentucky.

7  
8           **Kansas Plaintiffs**

9           33. Plaintiff Brian Schneider is a citizen of Kansas residing in Sedgwick County,  
10 Kansas. Mr. Schneider purchased a new 2016 Dodge Ram 1500 EcoDiesel truck from Eddy's  
11 CDJ in Wichita, Sedgwick County, Kansas.

12  
13           **Louisiana Plaintiffs**

14           34. Plaintiff Mark Savana is a citizen of Louisiana residing in Ouachita Parish  
15 County, Louisiana. Mr. Savana purchased a used 2014 Dodge Ram 1500 EcoDiesel truck from  
16 Interstate Dodge in West Monroe, Ouachita Parish County, Louisiana.

17  
18           **Nevada Plaintiffs**

19           35. Plaintiff William Blackwell is a citizen of Texas residing in El Paso County,  
20 Texas. Mr. Blackwell purchased a new 2016 Dodge Ram 1500 EcoDiesel truck from Towbin  
21 Dodge in Henderson, Clark County, Nevada.

22           36. Plaintiff Joseph Noone is a citizen of Nevada residing in Clark County, Nevada.  
23 Mr. Noone purchased a new 2015 Dodge Ram 1500 EcoDiesel truck from Chapman Dodge in  
24 Las Vegas, Nye County, Nevada.  
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1                   **New York Plaintiffs**

2           37.     Plaintiff John Barone is a citizen of New York residing in Putnam County, New  
3 York. Mr. Barone purchased a used 2014 Dodge Ram 1500 EcoDiesel truck from Meadowland  
4 Chrysler Dodge in Carmel, Putnam County, New York.

5           38.     Plaintiff John Hansen is a citizen of New York residing in Putnam County, New  
6 York. Mr. Hansen purchased a new 2016 Dodge Ram 1500 EcoDiesel truck from Meadowland  
7 Chrysler Dodge in Carmel, Putnam County, New York.  
8

9                   **North Carolina Plaintiffs**

10          39.     Plaintiff James Hedgecock is a citizen of North Carolina residing in Brunswick  
11 County, North Carolina. Mr. Hedgecock leased a new 2016 Dodge Ram 1500 EcoDiesel truck  
12 from Neuwirth Motors in Wilmington, New Hanover County, North Carolina.  
13

14                  **Ohio Plaintiffs**

15          40.     Plaintiff Kenneth Malott is a citizen of Indiana residing in Morgan County,  
16 Indiana. Mr. Malott purchased a used 2015 Dodge Ram 1500 EcoDiesel truck from Fred Martin  
17 Superstore in Baberton, Summit County, Ohio.  
18

19                  **Oklahoma Plaintiffs**

20          41.     Plaintiff Mary Branch is a citizen of Oklahoma residing in Osage County,  
21 Oklahoma. Ms. Branch purchased a new 2015 Dodge Ram 1500 EcoDiesel truck from  
22 Bartlesville Dodge in Bartlesville, Washington County, Oklahoma.  
23

24          42.     Plaintiff Michele Rodriguez is a citizen of Oklahoma residing in Oklahoma  
25 County, Oklahoma. Ms. Rodriguez purchased a new 2014 Dodge Ram 1500 EcoDiesel truck  
26 from Auto Max Dodge in Shawnee, Pottawatomie County, Oklahoma.  
27  
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1           43. Plaintiff Ronnie Williams is a citizen of Oklahoma residing in Tulsa County,  
2 Oklahoma. Mr. Williams purchased a new 2014 Dodge Ram 1500 EcoDiesel truck from Dick  
3 Bailey Motors in Okmulgee, Okmulgee County, Oklahoma.

4           **Texas Plaintiffs**

5           44. Plaintiff Jeremiah Brown is a citizen of Texas residing in Jefferson County,  
6 Texas. Mr. Brown purchased a new 2015 Dodge Ram 1500 EcoDiesel truck from Cowboy CDJ  
7 in Silsbee, Hardin County, Texas.

8           45. Plaintiff Marion Lathem is a citizen of Texas residing in Dallas County, Texas.  
9 Mr. Lathem purchased a new 2017 Dodge Ram 1500 EcoDiesel truck from Clay Cooley Dodge  
10 in Irving, Dallas County, Texas.

11           46. Plaintiff Jerry Pettijohn is a citizen of Texas residing in Erath County, Texas. Mr.,  
12 Pettijohn purchased a new 2015 Dodge Ram 1500 EcoDiesel truck from Bayer Enterprises in  
13 Hamilton, Hamilton County, Texas.

14           47. Plaintiff Nathan Pope is a citizen of Texas residing in San Jacinto County, Texas.  
15 Mr. Pope purchased a new 2014 Dodge Ram 1500 EcoDiesel truck from DeMontrond Auto  
16 Group in Conroe, Montgomery County, Texas.

17           48. Plaintiff Claud Aldridge is a citizen of Texas residing in Denton County, Texas.  
18 Mr. Aldridge purchased a new 2016 Dodge Ram 1500 EcoDiesel truck from Meador Dodge in  
19 Fort Worth, Tarrant County, Texas.

20           49. Plaintiff Elizabeth Lewis is a citizen of Texas residing in Smith County, Texas.  
21 Ms. Lewis purchased a new 2014 Dodge Ram 1500 EcoDiesel truck from Dodge City in  
22 McKinney, Collin County, Texas.

1           50. Plaintiff Mike McCutchen is a citizen of Texas residing in Sterling County,  
2 Texas. Mr. McCutchen purchased a new 2016 Dodge Ram 1500 EcoDiesel truck from All  
3 American Chrysler Jeep Dodge in San Angelo, Tom Green County, Texas.

4           **Utah Plaintiffs**

5           51. Plaintiff Mary Black is a citizen of Utah residing in Wasatch County, Utah. Ms.  
6 Black purchased a used 2016 Dodge Ram 1500 EcoDiesel truck from Ken Garff Dodge in West  
7 Valley, Salt Lake County, Utah.

8           52. Plaintiff Dave Kinsinger is a citizen of Utah residing in Summit County, Utah.  
9 Mr. Kinsinger purchased a new 2015 Dodge Ram 1500 EcoDiesel truck from Karl Malone  
10 Dodge in Heber City, Wasatch County, Utah.

11           53. Plaintiff Orlan Wallace is a citizen of Utah residing in Uintah County, Utah. Mr.  
12 Wallace purchased a new 2016 Dodge Ram 1500 EcoDiesel truck from Larry H. Miller Dodge in  
13 Sandy, Salt Lake County, Utah.

14           54. Plaintiff Dustin O'Dell is a citizen of Colorado residing in Weld County,  
15 Colorado. Mr. O'Dell purchased a new 2016 Dodge Ram 1500 EcoDiesel truck from Layton  
16 Hills CDJ in Layton, Davis County, Utah.

17           **Virginia Plaintiffs**

18           55. Plaintiff Linda Vargas is a citizen of Virginia residing in Virginia Beach County,  
19 Virginia. Ms. Vargas purchased a new 2016 Jeep Cherokee Diesel from Southern DCJ in  
20 Norfolk, Norfolk City County, Virginia.

**Wisconsin Plaintiffs**

56. Plaintiff Freddie Steinhilber is a citizen of Wisconsin residing in Clark County, Wisconsin. Mr. Steinhilber purchased a used 2014 Dodge Ram 1500 EcoDiesel truck from Chrysler World in Abrams, Oconto County, Wisconsin.

**Wyoming Plaintiffs**

57. Plaintiff Shannon Boutain is a citizen of Wyoming residing in Natrona County, Wyoming. Mr. Boutain purchased a new 2015 Dodge Ram 1500 EcoDiesel truck from Freemont Dodge in Casper, Natrona County, Wyoming.

**B. Defendants**

58. FCA US LLC (“FCA”) is a limited liability company organized and existing under the laws of the State of Delaware, and is owned by holding company Fiat Chrysler Automobiles N.V. (“Fiat”), a Dutch corporation headquartered in London, United Kingdom. FCA was formed upon the acquisition of American automaker Chrysler by Fiat (through its Italian corporate predecessor, Fiat S.p.A.). FCA’s principal place of business and headquarters is at 1000 Chrysler Drive, Auburn Hills, Michigan 48326.

59. FCA is a motor vehicle manufacturer and a licensed distributor of new, previously untitled Chrysler, Dodge, Jeep, and Ram brand motor vehicles. FCA and its predecessor, Chrysler, are and were known as one of the “Big Three” American automakers (with Ford and General Motors). FCA engages in commerce by distributing and selling new and unused passenger cars and motor vehicles under the Chrysler, Dodge, Jeep, Ram, and Fiat brands. Other major divisions of FCA include Mopar, its automotive parts and accessories division, and SRT, its performance automobile division.

1           60. Fiat Chrysler Automobiles N.V. (“Fiat”), the corporate parent of FCA, also owns  
2 numerous European-based automotive brands in addition to FCA’s American brands. Through  
3 subsidiary FCA Italy, these include Italian-based brands including Alfa Romeo, Fiat  
4 automobiles, Fiat Professional, Lancia, and Abarth. Fiat also owns Ferrari and Maserati. As of as  
5 of 2015, Fiat Chrysler is the seventh largest automaker in the world by unit production.  
6

7           61. Fiat also owns several manufacturers of automotive parts, including diesel-engine  
8 manufacturer VM Motori. VM Motori developed and manufactured the “EcoDiesel®” engines at  
9 issue in this suit. Between 2000 and 2007, as now, VM Motori shared a corporate parent with the  
10 Chrysler brand, because it was owned wholly or partly by then-Chrysler owner DaimlerChrysler  
11 AG. DaimlerChrysler sold its stake in VM Motori in 2007. By the start of 2011, 50% of VM  
12 Motori was owned by General Motors and 50% by Penske Corporation. In early 2011, Fiat  
13 purchased Penske’s 50% stake in VM Motori, and in October 2013, Fiat acquired the remaining  
14 50% from General Motors.  
15

16           62. Fiat, through its subsidiary FCA, designs, manufactures, markets, distributes, and  
17 sells two models of vehicle for which the EcoDiesel® option is available: the Ram 1500 and the  
18 Jeep Grand Cherokee. The EcoDiesel® engine is a 3.0-liter V6 diesel engine developed by VM  
19 Motori.  
20

21           63. Fiat Chrysler, through its various entities, designs, manufactures, markets,  
22 distributes, and sells automobiles in California and multiple other locations in the U.S. and  
23 worldwide. Fiat Chrysler and/or its agents designed, manufactured, and installed the EcoDiesel®  
24 engine systems in the Fraudulent Vehicles. Fiat Chrysler also developed and disseminated the  
25 owners’ manuals and warranty booklets, advertisements, and other promotional materials  
26 relating to the Fraudulent Vehicles.  
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1           64. Fiat Chrysler's business operations in the United States include the manufacture,  
2 distribution, and sale of motor vehicles and parts through its network of independent, franchised  
3 motor vehicle dealers. Fiat Chrysler is engaged in interstate commerce in that it sells vehicles  
4 through this network located in every state of the United States. The dealers act as FCA's agents  
5 in selling the Fraudulent Vehicles and disseminating information about the Fraudulent Vehicles  
6 to customers and potential customers.  
7

8           65. At all relevant times, Defendants manufactured, distributed, sold, leased, and  
9 warranted the Fraudulent Vehicles under the Fiat Chrysler brand name throughout the United  
10 States. Defendants also developed and disseminated the owners' manuals and warranty booklets,  
11 advertisements, and other promotional materials relating to the Fraudulent Vehicles.  
12

#### 13                           **IV. JURISDICTION AND VENUE**

14           66. Pursuant to 28 U.S.C. § 1332, this Court has subject matter jurisdiction over this  
15 case because it is a lawsuit between parties of diverse citizenship and the amount in controversy  
16 exceeds \$75,000, exclusive of interest and costs. Venue is proper in this Court under 28 U.S.C.  
17 § 1391 because a substantial part of the events or omissions giving rise to the claim occurred in  
18 this district. Pursuant to 28 U.S.C. § 1331, this Court has jurisdiction over this case because  
19 Plaintiffs have asserted claims under the Magnuson - Moss Act seeking damages in excess of  
20 \$50,000 exclusive of interest and costs (15 U.S.C. §§ 2301, et seq.). Therefore, Plaintiffs' claims  
21 arise under the laws of the United States.  
22

23           67. The Court has personal jurisdiction over Defendants because, at all relevant times,  
24 they designed, manufactured, sold, distributed, promoted and placed into the stream of  
25 commerce in California numerous diesel trucks and SUVs, including the diesel trucks and SUVs  
26 at issue in this case. In addition, the fraudulent statements, breaches of contract, and breaches of  
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1 warranty at issue in this case occurred, in part, in this district. Defendants also conduct business  
2 in California and the causes of action asserted herein arose from and are connected to purposeful  
3 acts taken by Defendants in California. Defendants' contacts with California were continuous  
4 and systematic.

5 68. Venue is proper in this District because a substantial part of the events and  
6 omissions giving rise to Plaintiffs' claims occurred in this District. Defendants have conducted  
7 extensive business in this District, including, without limitation, marketing, advertising, selling,  
8 and leasing the Fraudulent Vehicles in this district.

## 10 **V. FACTUAL BACKGROUND**

### 11 **A. The Defeat Device Scheme**

12 69. On January 12, 2017, the EPA and CARB announced to the world that  
13 Defendants, just like Volkswagen, had violated the Clean Air Act through an emissions cheating  
14 scheme in an attempt to reap profits at the expense of the environment and the confidence of its  
15 own customers.

16 70. The EPA's Notice of Violation of the Clean Air Act alleges that Defendants  
17 installed and hid engine management software in light-duty model year 2014, 2015 and 2016  
18 Jeep Grand Cherokees and Ram 1500 trucks with 3.0-liter diesel engines sold in the United  
19 States. The undisclosed software allows for increased emissions of nitrogen oxides (NOx) from  
20 the Fraudulent Vehicles.

21 71. In announcing the Notice of Violation, Cynthia Giles, Assistant Administrator for  
22 EPA's Office of Enforcement and Compliance Assurance, said: "Failing to disclose software that  
23 affects emissions in a vehicle's engine is a serious violation of the law, which can result in  
24 harmful pollution in the air we breathe." She further noted that the EPA will "investigate the  
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1 nature and impact of these devices. All automakers must play by the same rules, and we will  
2 continue to hold companies accountable that gain an unfair and illegal competitive advantage.”

3 72. Through its own testing at the National Vehicle and Fuel Emissions Laboratory,  
4 the EPA discovered eight undisclosed Auxiliary Emission Control Devices (“AECDs”). These  
5 devices were not disclosed in Defendants’ applications for certificates of conformity (COCs),  
6 which designates approved vehicles for sale in the United States. Defendants knew disclosure  
7 was required under applicable regulations, yet did not disclose the existence of these devices.  
8

9 73. The mere existence of these AECDs leaves Defendants in violation of Section  
10 203(a)(1) of the Clean Air Act, 42 U.S.C. § 7522(a)(1), for each and every time a Fraudulent  
11 Vehicle was sold, offered for sale, introduced into commerce, or delivered for introduction into  
12 commerce or imported.  
13

14 74. There are over 100,000 vehicles on the roads of the United States that are affected  
15 by Defendants’ fraudulent scheme.

16 75. EPA testing indicates that at least some of these devices “appear to cause the  
17 vehicle to perform differently when the vehicle is being tested for compliance with the EPA  
18 emissions standards,” as opposed to during “normal operation and use.” This is the definition of  
19 a defeat device, which is designed to pass lab certification tests but expel more emissions in the  
20 real world in order to achieve greater fuel economy or performance.  
21

22 76. Defendants’ scheme is strikingly similar to that of Volkswagen. In the aftermath  
23 of Volkswagen’s scandal, the EPA announced that it would conduct additional testing of vehicles  
24 on the market “using driving cycles and conditions that may reasonably be expected to be  
25 encountered in normal operation and use, for purposes of investigating a potential defeat device.”  
26 This testing led to the discovery of Defendants’ fraudulent scheme.  
27  
28



1           77.     The EPA’s Notice of Violation notes that, despite having the opportunity to do so,  
2 Defendants have failed to show that it did not know, or should not have known, that the  
3 “principal effect of one or more of these AECDs was to bypass, defeat, or render inoperative one  
4 or more elements of design installed to comply with emissions standards under the [Clean Air  
5 Act.]”

6  
7           78.     The same day, CARB publicly announced that it, too, has issued a Notice of  
8 Violation to Defendants after detecting the AECDs in Defendants’ 2014, 2015, and 2016 Jeep  
9 Grand Cherokee and Ram 1500 EcoDiesel® vehicles. CARB also said the company failed to  
10 disclose the devices, which it said can “significantly increase” NOx emissions when activated.  
11

12           79.     Defendants were motivated by the desire to grab market share in the United States  
13 by adding diesel engines to their light truck and SUV lineup. Dodge and Ram were already well  
14 known for their heavy-duty trucks equipped with large 8-cylinder engines supplied by Cummins.  
15 Unlike in Europe, where diesel engines in economy cars and small commercial vehicles have  
16 long been popular, diesel engines have always had trouble catching on in the United States.  
17 Many consumers see diesel engine vehicles as polluting vehicles that emit thick smoke and  
18 dangerous contaminants. Even though Defendants were successful with their Dodge and Ram  
19 Cummins-equipped heavy-duty trucks, they still suffered from this perception. Indeed, a  
20 community of enthusiasts has grown around “rolling coal”—that is, modifying the vehicles’  
21 emissions systems to belch black clouds of smoke and particulates.  
22

23  
24           80.     However, other manufacturers—most notably, Volkswagen— began selling  
25 smaller, more economical vehicles in the U.S. with diesel engines labeled as environmentally-  
26 friendly, fuel-efficient alternatives to hybrids and other economical vehicles. Like Volkswagen,  
27 Fiat had considerable expertise with diesel engines in Europe, primarily through its subsidiary  
28

1 VM Motori, a leading supplier of diesel engines. Prior to Fiat's takeover of Chrysler, when VM  
2 Motori was controlled by DaimlerChrysler and then General Motors, VM Motori supplied diesel  
3 engines for use in Chrysler/Jeep and General Motors automobiles.

4 81. The engine at issue—now known as “EcoDiesel®,” a 3.0-liter, six-cylinder  
5 turbodiesel— had been under development before Fiat acquired any of VM Motori for use in a  
6 General Motors automobile for the European market.

7  
8 82. After acquiring a 50% stake in VM Motori, Defendants began to integrate a 3.0-  
9 liter, six-cylinder V.M. Motori turbodiesel engine into FCA's popular light-duty trucks and  
10 SUVs, the Ram 1500 pickup and the Jeep Grand Cherokee. These vehicles supposedly offered  
11 the benefits of diesel performance and fuel economy to a market quite distinct from those who  
12 bought heavy-duty, Cummins-equipped Ram 2500 and 3500 trucks.

13  
14 83. As Ram Trucks' Chief Engineer said at the time, “We were fortunate at this point  
15 in time that our partners at Fiat owned half of VM Motori, who makes this diesel engine. ... We  
16 combined resources and developed them together.”

17  
18 84. On information and belief, because the engine had originally been developed for  
19 use in Europe, where standards for emission of oxides of nitrogen from diesel vehicles are less  
20 stringent, inclusion of a defeat device was necessary to certify the engine to U.S. emissions  
21 standards and include it in FCA vehicles.

22  
23 85. The modern type of smaller, turbocharged, direct-injected diesel engines, like  
24 Volkswagen's “Clean Diesel” TDI and Fiat Chrysler's EcoDiesel® engines, offer several  
25 benefits that maximize the potential of diesel fuel. Turbochargers force air into the combustion  
26 chambers, aiding in achieving higher compression, enhancing the efficiency with which power is  
27 extracted from the fuel. Direct fuel injection allows a sophisticated engine management  
28

1 computer to precisely manage the air- fuel mixture at all times to maximize power and  
2 efficiency.

3 86. The EcoDiesel® option, however, is not cheap. For example, the feature is only  
4 available on the three most expensive 2014 Grand Cherokee models and adds \$4,500 to those  
5 vehicles' overall price. The EcoDiesel® option on the 2015 Ram 1500 adds between \$3,120 and  
6 \$4,960.  
7

8 87. Setting aside cost, diesel still comes with an environmental trade- off: high  
9 emissions of particulates and oxides of nitrogen. NOx is a hazardous pollutant and “an indirect  
10 greenhouse gas” that contributes to the formation of ground-level ozone, a greenhouse gas, and  
11 can travel hundreds of miles from the source of emission. Ozone is a colorless and odorless gas  
12 that, even at low levels, can cause cardiovascular and respiratory health problems, including  
13 chest pain, coughing, throat irritation, and congestion. The human health concerns from over-  
14 exposure to NOx are well established, and include negative effects on the respiratory system,  
15 damage to lung tissue, and premature death. NOx can penetrate deeply into sensitive parts of the  
16 lungs, and is known to cause or worsen respiratory diseases like asthma, emphysema, and  
17 bronchitis, as well as to aggravate existing heart disease. Children, the elderly, people with lung  
18 diseases such as asthma, and people who work or exercise outside are particularly susceptible to  
19 such adverse health effects, though the impact of NOx is borne by all of society.  
20  
21

22 88. To address the hazards of NOx, modern technology has offered a solution.  
23 Modern turbodiesel engines use ceramic diesel filters to trap particulates before they are emitted.  
24 Many diesel vehicles also use a technology called “selective catalytic reduction” (“SCR”) to  
25 reduce NOx emissions. SCR systems inject a measured amount of urea solution into the exhaust  
26 stream, which breaks oxides of nitrogen down into to less noxious substances before they are  
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1 emitted. SCR-equipped vehicles must carry an onboard tank of fluid for this purpose, and  
2 injection of the fluid is controlled by the same engine control module that manages the fuel-air  
3 mixture and other aspects of engine operation.

4 89. The Fraudulent Vehicles use engine management computers to monitor sensors  
5 throughout the vehicle and operate nearly all of the vehicle's systems according to sophisticated  
6 programming that can sense and vary factors like steering, combustion, and emissions  
7 performance for different driving situations.

8 90. The computer that manages these systems in the Fraudulent Vehicles is an  
9 "electronic diesel control" or "EDC." The "defeat device" consists of software programming on  
10 this computer that detect when the Fraudulent Vehicles are undergoing emissions testing through  
11 certain sensor inputs that monitor vehicle speed, engine operation, steering wheel positioning,  
12 and the like. This type of defeat device has been termed a "cycle detection defeat device"  
13 because it detects when a vehicle is being tested and then operates the engine and emissions  
14 controls in such a way to trick the emissions testing so that the vehicles pass. The measures  
15 required to pass emissions testing result in some combination of traits that would be undesirable  
16 in normal operation. These include greater fuel consumption, lower performance, or  
17 unsustainable consumption of the urea solution used in SCR. Defendants ensured that at all  
18 times, other an emissions testing, the Fraudulent Vehicles operated in a manner that polluted  
19 many times more than the legal limits.

20  
21 **B. Applicable Emissions Standards & Testing**

22 91. When a manufacturer wishes to introduce a new car in the U.S. market, it must  
23 obtain a certificate of conformity ("COC") from the EPA, by showing that the vehicle comports  
24 with the requirements of the Clean Air Act, 42 USC § 7522 and 40 CFR 86.1843-01.  
25  
26  
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1           92. As part of that certification process, the manufacturer must disclose any “auxiliary  
2 emission control devices” (“AECDs”) that are included in the vehicle. AECDs are “any element  
3 of design which senses temperature, vehicle speed...or any other parameter for the purpose of  
4 activating, modulating, delaying, or deactivating the operation of any part of the emission control  
5 system.” 40 CFR 86.1803-01. All vehicles have AECDs, and there is nothing per se illegal about  
6 modulating the operation of emissions control systems. However, in applying for a COC, the  
7 manufacturer must list all AECDs in the vehicles, and then justify why they are not defeat  
8 devices. 40 CFR 86.1844-01(d)(11). Thus, Defendants’ willful omission violates the CAA.

9  
10           93. 40 CFR 86.1803-01 provides that: “Defeat device means an auxiliary emission  
11 control device (AECD) that reduces the effectiveness of the emission control system under  
12 conditions which may reasonably be expected to be encountered in normal vehicle operation and  
13 use, unless:  
14

15           (1) Such conditions are substantially included in the Federal emission test  
16 procedure;

17           (2) The need for the AECD is justified in terms of protecting the vehicle  
18 against damage or accident; or  
19

20           (3) The AECD does not go beyond the requirements of engine starting.”

21           94. Here, the Fraudulent Vehicles are equipped with a Defeat Device and passed  
22 emissions testing only by cheating. The Fraudulent Vehicles should never have received COCs  
23 that rendered them legal to sell in the U.S.  
24

25           95. On- road tests of the Fraudulent Vehicles showed that FCA EcoDiesel® produces  
26 NOx emissions well above legal limits.  
27  
28

1           96.     A 2014 Ram 1500 equipped with a 3.0L EcoDiesel® engine and featuring  
2 selective catalytic reduction (SCR) NOx after-treatment technology was tested on a chassis  
3 dynamometer as well as on the road. In both scenarios, gaseous exhaust emissions, including  
4 oxides of nitrogen (NOx), nitrogen oxide (NO), carbon monoxide (CO), carbon dioxide (CO2),  
5 and total hydrocarbons (THS) were measured on a continuous basis using a real-time particle  
6 sensor from Pegasor.

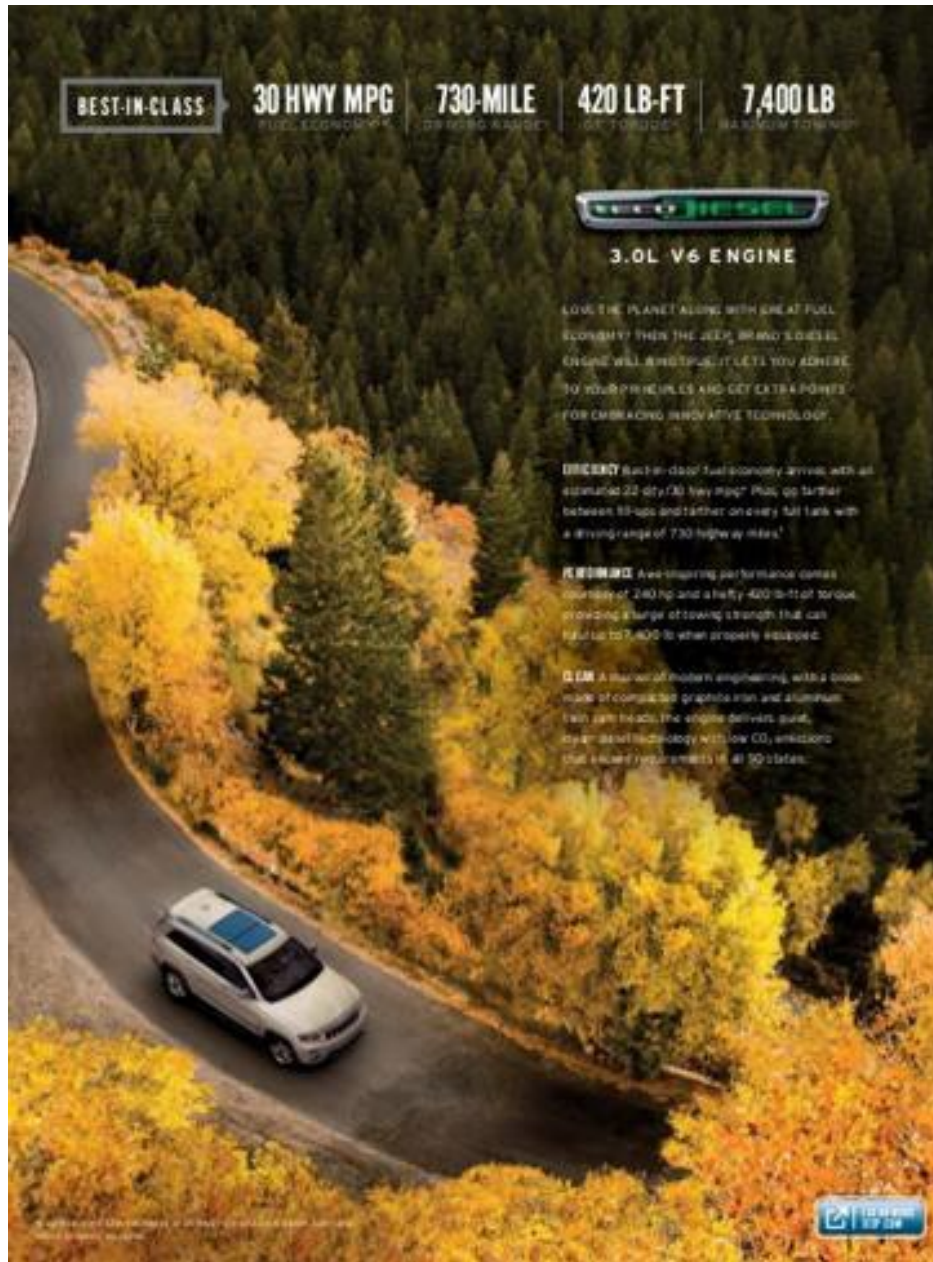
7  
8           97.     The tests showed significantly increased NOx emissions during on-road testing as  
9 opposed to testing on a chassis dynamometer (i.e., in the laboratory). The vehicle produced  
10 approximately 15-19 times more NOx on the road than the certification standard allows.  
11 Moreover, the NOx emissions during highway driving conditions exceeded the EPA Tier 2 Bin 5  
12 standard under which the vehicle was certified by 35 times.  
13

14 **C.     Defendants Marketed the Fraudulent Vehicles as Environmentally Friendly,**  
15 **Emissions-Compliant, and Fuel-Efficient.**

16           98.     FCA's EcoDiesel® vehicles are aggressively marketed as offering a combination  
17 of power, efficiency, and environmental cleanliness that competitors cannot match: the  
18 Fraudulent Vehicles' "exhaust is ultra-clean" due to their "advanced emissions-control  
19 technology." According to Defendants, the "emissions control system helps ensure that virtually  
20 no particulates and minimal [NOx] exit the tailpipe."  
21

22           99.     Defendants also represented that the Fraudulent Vehicles are emission-compliant  
23 in all 50 states (see image below, featuring the slogan "love the planet along with great fuel  
24 economy?"). Defendants bolstered that claim by including in the owner's manual an Emissions  
25 Warranty guaranteeing compliance with applicable emissions regulations.  
26  
27  
28





100. The Defendants represented and marketed the Fraudulent Vehicles as offering excellent fuel economy: greater than a comparable gasoline engine and offering a range of 730 miles on a single tank of diesel fuel. According to Defendants, the Fraudulent Vehicles had “the best fuel economy of any full-size pickup” (examples below).

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2014  
**RAM 1500**


The industry's first light-duty diesel engine boasts exceptional torque, reduced CO<sub>2</sub> emissions and the best fuel economy of any full-size pickup\*. There's no wonder it's already a legend.

**BUILD & PRICE >** STARTING MSRP **\$36,475**



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**Jeep** GRAND CHEROKEE | Gallery | Interior | Exterior | Capability | Safety & Security | Awards | Specs | FIND A DEALER | BUILD & PRICE



**3.0L EcoDiesel V6 Engine**

The available 3.0L EcoDiesel V6 engine is a refined powertrain that provides optimum efficiency and reduced CO<sub>2</sub> emissions without sacrificing awe-inspiring performance. Combined with the advanced eight-speed automatic transmission, the 2016 Jeep® Grand Cherokee delivers Best-in-Class Highway Fuel Economy<sup>®</sup>.

**UP TO 730 HWY MILE RANGE**

**30 HWY MPG**

Engine	200 hp/250 lb-ft of torque	3.0L EcoDiesel V6 Engine 240 hp/250 lb-ft of torque	5.7L V8 Engine 265 hp/343 lb-ft of torque
3.0L EcoDiesel V6 Engine	200 hp/250 lb-ft of torque	240 hp/250 lb-ft of torque	265 hp/343 lb-ft of torque

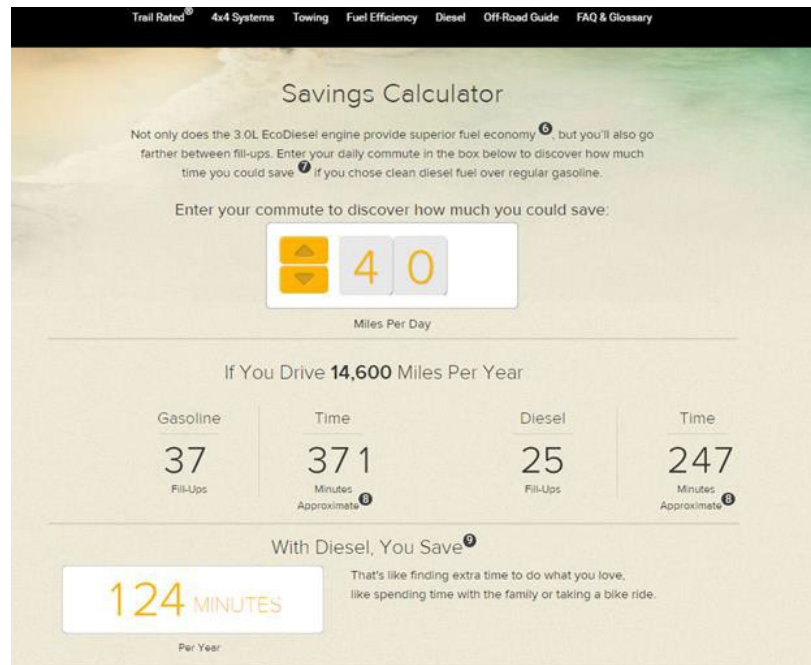
**Discover the potential of EcoDiesel**

Forget everything you thought you knew about diesel. The Jeep® EcoDiesel engine offers innovative technology that is efficient, increases range and improves power—all while leaving little trace of being diesel.

**LEARN MORE**



101. Defendants even went so far as to offer on their website calculators that supposedly show how much fuel, time and money consumers could save. For example:



102. But unbeknownst to those consumers—consumers who Defendants identified as wanting “an efficient, environmentally-friendly truck without sacrificing capability or performance— Defendants could only achieve those impressive results by cheating on emissions testing. Moreover, in normal driving, the vehicles polluted much more than advertised or permissible by applicable laws.

## VI. STATUTES OF LIMITATION ARE TOLLED

103. The tolling doctrine was made for cases of concealment like this one. For the following reasons, any otherwise-applicable statutes of limitation have been tolled by the discovery rule with respect to all claims.

104. Through the exercise of reasonable diligence, and within any applicable statutes of limitation, Plaintiffs could not have discovered that Defendants were concealing and misrepresenting the true emissions levels of their vehicles, including but not limited to their use of defeat devices.

105. Plaintiffs could not have reasonably discovered, and did not know of facts that would have caused a reasonable person to suspect, or that Defendants had intentionally failed to report information within their knowledge to federal and state authorities, dealerships, or consumers, until shortly before this action was filed.

106. Likewise, a reasonable and diligent investigation could not have disclosed that Defendants had information in their possession about the existence of its sophisticated emissions deception and that they concealed that information, which was only discovered by Plaintiffs shortly before this action was filed.

### A. Tolling Due To Fraudulent Concealment

107. Throughout the relevant time period, all applicable statutes of limitation have been tolled by Defendants' knowing and active fraudulent concealment and denial of the facts alleged in this Complaint.

108. Upon information and belief, prior to the date of this Complaint, if not earlier, Defendants knew of the defeat device in the Fraudulent Vehicles, but continued to distribute, sell, and/or lease the Fraudulent Vehicles to Plaintiffs. In doing so, Defendants concealed and

1 expressly denied the existence of problem with NOx emissions, and/or failed to notify Plaintiffs  
2 about the true nature of the Fraudulent Vehicles.

3 109. Instead of disclosing their deception, or that the emissions from the Fraudulent  
4 Vehicles were far worse than represented, Defendants falsely represented that its vehicles  
5 complied with federal and state emissions standards, and that they were reputable manufacturers  
6 whose representations could be trusted.  
7

8 **B. Estoppel**

9 110. Defendants have a continuous and on-going duty to tell the truth about their  
10 products and to disclose to Plaintiffs the facts that they knew about the emissions from Vehicles,  
11 and of those vehicles' failure to comply with federal and state laws.  
12

13 111. Although they had the duty throughout the relevant period to disclose to Plaintiffs  
14 that they had engaged in the deception described in this Complaint, Defendants chose to evade  
15 federal and state emissions and clean air standards with respect to the Fraudulent Vehicles, and  
16 intentionally misrepresented their blatant and deceptive lack of compliance with federal and state  
17 law regulating vehicle emissions and clean air.  
18

19 112. Defendants actively concealed the true character, quality, performance, and nature  
20 of the defeat device in the Fraudulent Vehicles, and Plaintiffs reasonably relied upon  
21 Defendants' knowing and active concealment of these facts.  
22

23 113. Thus, Defendants are estopped from relying on any statutes of limitations in  
24 defense of this action.  
25  
26  
27  
28

**VII. CAUSES OF ACTION**

**COUNTS COMMON TO ALL PLAINTIFFS**

**COMMON COUNT 1**

**RACKETEER INFLUENCED AND CORRUPT ORGANIZATIONS ACT (“RICO”)**

**Violation of 18 U.S.C. § 1962(c)-(d)**

**(On Behalf of all Plaintiffs)**

114. Plaintiffs re-allege and incorporate by reference all paragraphs as though fully set forth herein.

115. At all relevant times, Defendants have been “persons” under 18 U.S.C. § 1961(3) because they are capable of holding, and do hold, “a legal or beneficial interest in property.”

116. Section 1962(c) makes it “unlawful for any person employed by or associated with any enterprise engaged in, or the activities of which affect, interstate or foreign commerce, to conduct or participate, directly or indirectly, in the conduct of such enterprise’s affairs through a pattern of racketeering activity.” 18 U.S.C. § 1962(c).

117. Section 1962(d) makes it unlawful for “any person to conspire to violate” Section 1962(c), among other provisions. See 18 U.S.C. § 1962(d).

118. In order to compete with vehicle manufacturers and increase their market share, Defendants sought to add diesel engines to their light truck and SUV lineup. But, due to the strict emissions control requirements imposed by U.S. law and the demands of consumers in the United States, they found it impossible to achieve their goals lawfully, and instead resorted to cheating through a fraudulent scheme and conspiracy. The illegal scheme was hatched overseas by Fiat Chrysler Automobiles N.V., brought to U.S. shores by and through the vehicles of FCA US LLC, and executed in conjunction with Fiat’s subsidiary companies overseas, including VM Motori.

1           119. Specifically, Defendants, along with other entities and individuals, were  
 2 employed by or associated with, and conducted or participated in the affairs of a RICO enterprise  
 3 (defined below and referred to collectively as the “Defeat Device RICO Enterprise”), whose  
 4 purpose was to deceive regulators and the driving public into believing that the Fraudulent  
 5 Vehicles were compliant with emission standards, clean, fuel efficient and environmentally  
 6 friendly so as to increase revenues and minimize losses from the design, manufacture,  
 7 distribution and sale of the Fraudulent Vehicles and the defeat devices installed therein. As a  
 8 direct and proximate result of their fraudulent scheme and common course of conduct,  
 9 Defendants were able to extract revenues of billions of dollars from Plaintiffs. As explained in  
 10 detail below, Defendants’ years-long misconduct violated Sections 1962(c) and (d).  
 11  
 12

13           **a. Description of the Defeat Device RICO Enterprise**

14           120. In an effort to expand its global reach, market share, and standardized marketing  
 15 and sales in the U.S., Italian automaker Fiat (then controlled by an Italian holding company)  
 16 acquired American automaker Chrysler. This acquisition occurred gradually over a period of  
 17 years, between 2009 and 2014 and resulted in the creation of FCA US LLC. All Fiat assets,  
 18 including both FCA US and FCA Italy and their respective subsidiaries, were later merged into  
 19 Fiat Chrysler Automobiles N.V., a new Dutch holding company, in 2014.  
 20

21           121. At all relevant times, Defendants maintained tight control over the design,  
 22 manufacture, and testing of the Fraudulent Vehicles. Their business operations in the United  
 23 States include, for example, the manufacture, distribution, and sale of motor vehicles and parts  
 24 through their network of independent, franchised motor vehicle dealers.  
 25

26           122. At all relevant times, Defendants, along with other individuals and entities,  
 27 including unknown or additional third parties involved in the design, manufacture, testing, and  
 28

1 sale of the Fraudulent Vehicles, operated an association-in-fact enterprise, which was formed for  
2 the purpose of fraudulently obtaining certificates of compliance from the Environmental  
3 Protection Agency (and executive orders from CARB) in order to sell Vehicles containing defeat  
4 device(s) throughout the U.S., and through which they conducted a pattern of racketeering  
5 activity under 18 U.S.C. § 1961(4).  
6

7 123. Specifically, Fiat Chrysler Automobiles N.V. and/or FCA US LLC are the entities  
8 that applied for, and obtained, the EPA certificates of compliance for the Fiat-Chrysler branded  
9 Vehicles with material misrepresentations and omissions about their specifications in order to  
10 introduce them into the U.S. stream of commerce.  
11

12 124. Defendants used their network of independent, franchised motor vehicle dealers  
13 to distribute and sell the illegal Vehicles throughout the U.S.

14 125. VM Motori participated, either directly or indirectly, in the conduct of the  
15 enterprise's affairs by developing, testing, and/or supplying V6 diesel engines which contained  
16 and concealed unlawful defeat device(s) to Defendants.  
17

18 126. VM Motori began development of this engine before its acquisition by Fiat. Fiat  
19 acquired half of VM Motori in 2011, and completed its acquisition only in late 2013, after the  
20 engine and the Fraudulent Vehicles had been developed, certified by the EPA, and put on sale in  
21 the United States.  
22

23 127. The separate legal statuses of Defendants and VM Motori facilitated the  
24 fraudulent scheme and attempted to provide a shield from liability for Defendants and their co-  
25 conspirators.

26 128. Alternatively, Defendants, their subsidiaries, and their directors, officers, and  
27 engineers constitute a single "enterprise" within the meaning of 18 U.S.C. § 1961(4), through  
28

1 which Defendants conducted their pattern of racketeering activity in the U.S. The enterprises,  
 2 alleged in this and the previous paragraphs, are referred to collectively as the “Defeat Device  
 3 RICO Enterprise.”

4 129. At all relevant times, the Defeat Device RICO Enterprise constituted a single  
 5 “enterprise” or multiple enterprises within the meaning of 18 U.S.C. § 1961(4), as legal entities,  
 6 as well as individuals and legal entities associated-in-fact for the common purpose of engaging in  
 7 Defendants’ profit-making scheme.  
 8

9 130. The association-in-fact Defeat Device RICO Enterprise consisted of the following  
 10 entities and individuals:  
 11

12 **(i) The Fiat-Chrysler Entity Defendants**

13 131. Fiat Chrysler Automobiles N.V. and its American subsidiary FCA US LLC,  
 14 working with the other below-described members of the Defeat Device RICO Enterprise,  
 15 devised a scheme to illegally circumvent the U.S.’s stringent emissions standards by  
 16 incorporating a “defeat device” into the Fraudulent Vehicles’ engine management computers.  
 17

18 132. Employing this technology, Defendants fraudulently obtained certificates of  
 19 compliance (and executive orders) for the Fraudulent Vehicles, even though they emit unlawful  
 20 levels of toxic pollutants into the atmosphere during normal operating conditions  
 21

22 133. Moreover, to profit from the scheme and increase their sales, Defendants falsely  
 23 marketed the Fraudulent Vehicles as not only compliant but clean, fuel-efficient and  
 24 environmentally-friendly vehicles.

25 **(ii) VM Motori**

26 134. VM Motori S.p.A. (“VM Motori”) is a diesel engine manufacturer based in in  
 27 Cento, Italy. In 2011, Fiat purchased a 50% share of the company from Penske Corporation.  
 28

1 General Motors controlled the other 50%. Fiat bought the remaining 50% from General Motors  
2 in late 2013, after the Fraudulent Vehicles and engines had already been developed, certified by  
3 the EPA, and offered for sale in the United States.

4 135. Back in 2010 or 2011, VM Motori announced a new product line of a V6, 3.0L  
5 displacement engines for inclusion in SUVs, trucks, and large sedans. These engines had been  
6 under development for use in a General Motors automobile for the European market.

7  
8 136. However, further development for use in FCA vehicles took place following  
9 Fiat's acquisition of 50% of VM Motori in 2011. As Ram Trucks' Chief Engineer said at the  
10 time, "We were fortunate at this point in time that our partners at Fiat owned half of VM Motori,  
11 who makes this diesel engine. ...We combined resources and developed them together."

12  
13 137. According to their website, VM Motori is deeply involved in the development of  
14 testing of all aspects of the engine: "We take care of the engines and their applications, working  
15 together with the Customers to the least detail to ensure a perfect matching between the engine  
16 and the machine, supporting our partners from A to Z, from engine- to-machine coupling up to  
17 the production."  
18

19 138. In fact, VM Motori makes specific mention of their involvement in: "Calibration  
20 development to meet specific vehicle/end user requirements, Exhaust after-treatment system  
21 development, [and] Environmental trips (hot/cold climate, high altitude, etc.)," and notes that  
22 their facilities include: "Rolling dyno for vehicle emission measurement [and] 17 engine test  
23 benches for emission/performance development."  
24

25 139. During all relevant periods, VM Motori developed and supplied engines for the  
26 Fraudulent Vehicles which contained, were calibrated to, or suppressed the existence of a defeat  
27 device, in furtherance of the Defeat Device RICO Enterprise.  
28



1           **b.       The Defeat Device RICO Enterprise Sought to Increase Defendants' Profits**  
2           **and Revenues**

3           140.    Because the engine had originally been developed for use in Europe, where  
4 standards for emission of oxides of nitrogen from diesel vehicles are less stringent, inclusion of a  
5 defeat device was necessary to certify the engine to U.S. emissions standards and include it in the  
6 Fraudulent Vehicles.

7           141.    At all relevant times, the Defeat Device RICO Enterprise: (a) had an existence  
8 separate and distinct from each RICO Defendant; (b) was separate and distinct from the pattern  
9 of racketeering in which Defendants engaged; and (c) was an ongoing and continuing  
10 organization consisting of legal entities, including Defendants, their subsidiaries, officers,  
11 executives, and engineers, VM Motori, and other entities and individuals associated for the  
12 common purpose of designing, manufacturing, distributing, testing, and selling the Fraudulent  
13 Vehicles to Plaintiffs through fraudulent certificates of compliance and executive orders, false  
14 emissions tests, deceptive and misleading sales tactics and materials, and deriving profits and  
15 revenues from those activities. Each member of the Defeat Device RICO Enterprise shared in the  
16 bounty generated by the enterprise, i.e., by sharing the benefit derived from increased sales  
17 revenue generated by the scheme to defraud Plaintiffs.

18           142.    The Defeat Device RICO Enterprise functioned by selling vehicles and  
19 component parts to the consuming public. Many of these products are legitimate, including  
20 vehicles that do not contain defeat devices. However, Defendants and their co-conspirators,  
21 through their illegal Enterprise, engaged in a pattern of racketeering activity, which involves a  
22 fraudulent scheme to increase revenue for Defendants and the other entities and individuals  
23 associated-in-fact with the Enterprise's activities through the illegal scheme to sell the  
24 Fraudulent Vehicles.

1           143. The Defeat Device RICO Enterprise engaged in, and its activities affected  
2 interstate and foreign commerce, because it involved commercial activities across state  
3 boundaries, such as the marketing, promotion, advertisement and sale or lease throughout the  
4 country, and the receipt of monies from the sale of the same.

5           144. Within the Defeat Device RICO Enterprise, there was a common communication  
6 network by which co-conspirators shared information on a regular basis. The Defeat Device  
7 RICO Enterprise used this common communication network for the purpose of manufacturing,  
8 marketing, testing, and selling the Fraudulent Vehicles to the general public nationwide.

9           145. Each participant in the Defeat Device RICO Enterprise had a systematic linkage  
10 to each other through corporate ties, contractual relationships, financial ties, and continuing  
11 coordination of activities. Through the Defeat Device RICO Enterprise, Defendants functioned  
12 as a unit with the purpose of furthering the illegal scheme and their common purposes of  
13 increasing their revenues and market share, and minimizing losses.

14           146. Defendants participated in the operation and management of the Defeat Device  
15 RICO Enterprise by directing its affairs, as described herein. While Defendants participated in,  
16 and are members of, the enterprise, they had and have a separate existence from the enterprise,  
17 including distinct legal statuses, different offices and roles, bank accounts, officers, directors,  
18 employees, individual personhood, reporting requirements, and financial statements.

19           147. Defendants exerted substantial control over the Defeat Device RICO Enterprise,  
20 and participated in the affairs of the Defeat Device RICO Enterprise by:

- 21           A. designing the Fraudulent Vehicles with defeat devices;  
22           B. failing to correct or disable the defeat devices;  
23  
24  
25  
26  
27  
28

- 1 C. manufacturing, distributing, and selling the Fraudulent Vehicles that emitted
- 2 greater pollution than allowable under the applicable regulations;
- 3 D. misrepresenting and omitting (or causing such misrepresentations and omissions
- 4 to be made) vehicle specifications on certificate of compliance and executive
- 5 order applications;
- 6
- 7 E. introducing the Fraudulent Vehicles into the stream of U.S. commerce without a
- 8 valid EPA certificate of compliance and/or CARB executive order;
- 9
- 10 F. concealing the existence of the defeat devices and the unlawfully high emissions
- 11 from regulators and the public;
- 12
- 13 G. misleading the driving public as to the nature of the defeat devices and the defects
- 14 in the Fraudulent Vehicles;
- 15
- 16 H. designing and distributing marketing materials that misrepresented and concealed
- 17 the defect in the vehicles;
- 18
- 19 I. otherwise misrepresenting or concealing the defective nature of the Fraudulent
- 20 Vehicles from the public and regulators;
- 21
- 22 J. illegally selling and/or distributing the Fraudulent Vehicles;
- 23
- 24 K. collecting revenues and profits from the sale of such products; and
- 25
- 26 L. ensuring that the other RICO Defendants and unnamed co-conspirators complied
- 27 with the fraudulent scheme.
- 28

148. Defendants directed and controlled the ongoing organization necessary to implement the scheme at meetings and through communications of which Plaintiffs cannot fully know at present, because such information lies in the Defendants' and others' hands.

**c. Mail and Wire Fraud**

149. To carry out, or attempt to carry out the scheme to defraud, Defendants, each of whom is a person associated-in-fact with the Defeat Device RICO Enterprise, did knowingly conduct or participate, directly or indirectly, in the conduct of the affairs of the Defeat Device RICO Enterprise through a pattern of racketeering activity within the meaning of 18 U.S.C. §§ 1961(1), 1961(5) and 1962(c), and which employed the use of the mail and wire facilities, in violation of 18 U.S.C. § 1341 (mail fraud) and § 1343 (wire fraud).

150. Specifically, Defendants have committed, conspired to commit, and/or aided and abetted in the commission of, at least two predicate acts of racketeering activity (i.e., violations of 18 U.S.C. §§ 1341 and 1343), within the past ten years. The multiple acts of racketeering activity which Defendants committed, or aided or abetted in the commission of, were related to each other, posed a threat of continued racketeering activity, and therefore constitute a “pattern of racketeering activity.” The racketeering activity was made possible by Defendants’ regular use of the facilities, services, distribution channels, and employees of the Defeat Device RICO Enterprise. Defendants participated in the scheme to defraud by using mail, telephone and the Internet to transmit mailings and wires in interstate or foreign commerce.

151. Defendants used, directed the use of, and/or caused to be used, thousands of interstate mail and wire communications in service of their scheme through virtually uniform misrepresentations, concealments and material omissions.

152. In devising and executing the illegal scheme, Defendants devised and knowingly carried out a material scheme and/or artifice to defraud Plaintiffs or to obtain money from Plaintiffs by means of materially false or fraudulent pretenses, representations, promises, or omissions of material facts. For the purpose of executing the illegal scheme, Defendants

1 committed these racketeering acts, which number in the thousands, intentionally and knowingly  
 2 with the specific intent to advance the illegal scheme.

3 153. Defendants' predicate acts of racketeering (18 U.S.C. § 1961(1)) include, but are  
 4 not limited to:

5 Mail Fraud: Defendants violated 18 U.S.C. § 1341 by sending or receiving, or by causing  
 6 to be sent and/or received, materials via U.S. mail or commercial interstate carriers for  
 7 the purpose of executing the unlawful scheme to design, manufacture, market, and sell  
 8 the Fraudulent Vehicles by means of false pretenses, misrepresentations, promises, and  
 omissions.

9 Wire Fraud: Defendants violated 18 U.S.C. § 1343 by transmitting and/or receiving, or  
 10 by causing to be transmitted and/or received, materials by wire for the purpose of  
 11 executing the unlawful scheme to defraud and obtain money on false pretenses,  
 misrepresentations, promises, and omissions.

12 154. Defendants' use of the mails and wires include, but are not limited to, the  
 13 transmission, delivery, or shipment of the following by Defendants or third parties that were  
 14 foreseeably caused to be sent as a result of Defendants' illegal scheme:

- 15 A. the Fraudulent Vehicles themselves;
- 16 B. component parts for the defeat devices;
- 17 C. essential hardware for the Fraudulent Vehicles;
- 18 D. falsified emission tests;
- 19 E. fraudulent applications for EPA certificates of compliance and CARB executive  
 20 orders;
- 21 F. fraudulently-obtained EPA certificates of compliance and CARB executive  
 22 orders;
- 23 G. vehicle registrations and plates as a result of the fraudulently-obtained EPA  
 24 certificates of compliance and CARB executive orders;
- 25 H. documents and communications that facilitated the falsified emission tests;
- 26
- 27
- 28

- I. false or misleading communications intended to lull the public and regulators from discovering the defeat devices and/or other auxiliary devices;
- J. sales and marketing materials, including advertising, websites, product packaging, brochures, and labeling, which misrepresented and concealed the true nature of the Fraudulent Vehicles;
- K. documents intended to facilitate the manufacture and sale of the Fraudulent Vehicles, including bills of lading, invoices, shipping records, reports and correspondence;
- L. documents to process and receive payment for the Fraudulent Vehicles by unsuspecting consumers including invoices and receipts;
- M. payments to VM Motori;
- N. millions of dollars in compensation to Fiat and FCA executives;
- O. deposits of proceeds; and
- P. other documents and things, including electronic communications.

155. Defendants also used the internet and other electronic facilities to carry out the scheme and conceal the ongoing fraudulent activities. Specifically, Defendants, made misrepresentations about the Fraudulent Vehicles on their websites, YouTube, and through advertisements online, all of which were intended to mislead regulators and the public about the fuel efficiency, emissions standards, and other performance metrics.

156. For example, as pictured below and in numerous examples above, Defendants announced that the EcoDiesel® engine, installed in the Jeep Grand Cherokee is “efficient” and environmentally friendly: “leaving little trace of being there.”



157. Defendants also communicated by U.S. mail, by interstate facsimile, and by interstate electronic mail with various other affiliates, regional offices, divisions, dealerships and other third-party entities in furtherance of the scheme

158. The mail and wire transmissions described herein were made in furtherance of Defendants' scheme and common course of conduct to deceive regulators and consumers and to lure consumers into purchasing the Fraudulent Vehicles, which Defendants knew or recklessly disregarded as emitting illegal amounts of pollution, despite their advertising campaign.

159. Many of the precise dates of the fraudulent uses of the U.S. mail and interstate wire facilities have been deliberately hidden, and cannot be alleged without access to Defendants' books and records. However, Plaintiffs have described the types of, and in some instances, occasions on which the predicate acts of mail and/or wire fraud occurred. They include thousands of communications to perpetuate and maintain the scheme, including the things and documents described in the preceding paragraphs.

160. Defendants have not undertaken the practices described herein in isolation, but as part of a common scheme and conspiracy. In violation of 18 U.S.C. § 1962(d), Defendants

1 conspired to violate 18 U.S.C. § 1962(c), as described herein. Various other persons, firms and  
2 corporations, including third-party entities and individuals not named as defendants in this  
3 Complaint, have participated as co- conspirators with Defendants in these offenses and have  
4 performed acts in furtherance of the conspiracy to increase or maintain revenues, increase market  
5 share, and/or minimize losses for the Defendants and their unnamed co-conspirators throughout  
6 the illegal scheme and common course of conduct.  
7

8 161. Defendants aided and abetted others in the violations of the above laws, thereby  
9 rendering them indictable as principals in the 18 U.S.C. §§ 1341 and 1343 offenses.  
10

11 162. To achieve their common goals, Defendants hid from the general public the  
12 unlawfulness and emission dangers of the Fraudulent Vehicles and obfuscated the true nature of  
13 the defect  
14

15 163. Defendants and each member of the conspiracy, with knowledge and intent, have  
16 agreed to the overall objectives of the conspiracy and participated in the common course of  
17 conduct to commit acts of fraud and indecency in designing, manufacturing, distributing,  
18 marketing, testing, and/or selling the Fraudulent Vehicles (and the defeat devices contained  
19 therein).  
20

21 164. Indeed, for the conspiracy to succeed each of Defendants and their co-  
22 conspirators had to agree to implement and use the similar devices and fraudulent tactics—  
23 specifically complete secrecy about the defeat devices in the Fraudulent Vehicles.  
24

25 165. Defendants knew and intended that government regulators, as well as Plaintiffs,  
26 would rely on the material misrepresentations and omissions made by them about the Fraudulent  
27 Vehicles. Defendants knew and intended that consumers would incur costs as a result. As fully  
28 alleged herein, Plaintiffs, along with hundreds of thousands of other consumers, relied upon



1 Defendants' representations and omissions that were made or caused by them. Plaintiffs' reliance  
2 is made obvious by the fact that they purchased illegal vehicles that never should have been  
3 introduced into the U.S. stream of commerce. In addition, the EPA, CARB, and other regulators  
4 relied on the misrepresentations and material omissions made or caused to be made by  
5 Defendants.  
6

7 166. As described herein, Defendants engaged in a pattern of related and continuous  
8 predicate acts for years. The predicate acts constituted a variety of unlawful activities, each  
9 conducted with the common purpose of obtaining significant monies and revenues from  
10 Plaintiffs based on their misrepresentations and omissions, while providing Vehicles that were  
11 worth significantly less than the purchase price paid. The predicate acts also had the same or  
12 similar results, participants, victims, and methods of commission. The predicate acts were related  
13 and not isolated events.  
14

15 167. The predicate acts all had the purpose of generating significant revenue and  
16 profits for Defendants at the expense of Plaintiffs. The predicate acts were committed or caused  
17 to be committed by Defendants through their participation in the Defeat Device RICO Enterprise  
18 and in furtherance of its fraudulent scheme, and were interrelated in that they involved obtaining  
19 Plaintiffs' funds and avoiding the expenses associated with remediating the Fraudulent Vehicles.  
20

21 168. During the design, manufacture, testing, marketing and sale of the Fraudulent  
22 Vehicles, Defendants shared technical, marketing, and financial information that revealed the  
23 existence of the defeat devices contained therein. Nevertheless, Defendants shared and  
24 disseminated information that deliberately misrepresented the Fraudulent Vehicles as legal,  
25 clean, environmentally friendly, and fuel efficient.  
26  
27  
28

1           169. By reason of, and as a result of the conduct of Defendants, and in particular, their  
 2 pattern of racketeering activity, Plaintiffs have been injured in their business and/or property in  
 3 multiple ways, including but not limited to:

- 4           A. Purchase or lease of an illegal, Fraudulent Vehicle;
- 5           B. Overpayment for a Vehicle;
- 6           C. The value of the Fraudulent Vehicles has diminished, thus reducing their resale  
 7 value;
- 8           D. Other out-of-pocket and loss-of-use expenses;
- 9           E. Payment for alternative transportation; and
- 10          F. Loss of employment due to lack of transportation.

11           170. Defendants' violations of 18 U.S.C. § 1962(c) and (d) have directly and  
 12 proximately caused injuries and damages to Plaintiffs and Plaintiffs are entitled to bring this  
 13 action for three times their actual damages, as well as injunctive/equitable relief, costs, and  
 14 reasonable attorneys' fees pursuant to 18 U.S.C. § 1964(c).  
 15  
 16

17  
 18           **COMMONT COUNT 2**  
 19           **FRAUD BY CONCEALMENT**  
 20           **(Common Law)**  
 21           **(On Behalf of all Plaintiffs)**

22           171. Plaintiffs re-allege and incorporate by reference all paragraphs as though fully set  
 23 forth herein.

24           172. Defendants designed, manufactured, marketed, sold, and/or leased the Fraudulent  
 25 Vehicles to Plaintiffs. Defendants represented to Plaintiffs in advertising and other forms of  
 26 communication, including standard and uniform material provided with each car, that the  
 27 Fraudulent Vehicles had no significant defects, complied with EPA and state emissions  
 28 regulations, and would perform and operate properly when driven in normal usage.

1           173. Defendants intentionally concealed and suppressed material facts concerning the  
2           illegality and quality of the Fraudulent Vehicles in order to defraud and mislead both regulators  
3           and Plaintiffs about the true nature of the Fraudulent Vehicles. Defendants accomplished their  
4           scheme (and the concealment thereof) by installing, aiding in the installation of, and/or failing to  
5           disclose the defeat devices in the Fraudulent Vehicles that caused the vehicles to operate in a  
6           low-emission test mode only during testing.  
7

8           174. The Defendants installed software in their vehicles that enabled emissions  
9           controls for nitrogen oxide—a pollutant that contributes to health problems and global  
10          warming—to pass EPA emissions testing while at the same time disabling the same controls  
11          during real-world driving. Specifically, the software was designed to cheat emission testing by  
12          showing lower emissions during laboratory testing conditions than actually existed when the  
13          vehicle operated on the road. This deceptive practice enabled Defendants’ vehicles to pass  
14          emission certification tests through deliberately induced lower-than-real-world emissions  
15          readings. Plaintiffs reasonably relied upon Defendants’ false representations. They had no way of  
16          knowing that Defendants’ representations were false and gravely misleading. As alleged herein,  
17          Defendants employed sophisticated methods of deception. Plaintiffs did not, and could not,  
18          unravel Defendants’ deception on their own.  
19  
20

21          175. Defendants concealed and suppressed material facts concerning their true  
22          corporate cultures—cultures characterized by an emphasis on profits and sales above compliance  
23          with federal and state clean air law and emissions regulations that are meant to protect the public  
24          and consumers. They also emphasized profits and sales above the trust that Plaintiffs placed in  
25          their representations. Consumers buy diesel cars from FCA because they feel they are clean  
26  
27  
28

1 diesel cars. They do not want to be spewing noxious gases into the environment. And yet, that is  
2 precisely what the Fraudulent Vehicles are doing during real-world driving conditions.

3 176. Necessarily, Defendants also took steps to ensure that its employees did not reveal  
4 the details of their deception to regulators or consumers, including Plaintiffs. Defendants did so  
5 in order to boost the reputations of their vehicles and to falsely assure purchasers and lessors of  
6 their vehicles, including certified previously owned vehicles, that they are reputable  
7 manufacturers that comply with applicable law, including federal and state clean air and  
8 emissions regulations, and that their vehicles likewise comply with applicable laws and  
9 regulations  
10

11 177. Defendants' false representations were material to consumers, both because they  
12 concerned the quality of the Defeat Device Vehicles, including their compliance with applicable  
13 federal and state laws and regulations regarding clean air and emissions, and also because the  
14 representations played a significant role in the value of the vehicles. As Defendants well knew,  
15 their customers, including Plaintiffs, highly valued that the vehicles they were purchasing or  
16 leasing were so-called EcoDiesel® vehicles with reduced emissions—a label only made possible  
17 by concealing the vehicles' true emissions levels from regulators.  
18

19 178. Defendants had a duty to disclose the emissions deception they engaged in with  
20 respect to the vehicles at issue because knowledge of the deception and its details were known  
21 and/or accessible only to Defendants, Defendants had exclusive knowledge as to implementation  
22 and maintenance of their deception, and Defendants knew the facts were unknown to or not  
23 reasonably discoverable by Plaintiffs.  
24

25 179. Defendants also had a duty to disclose because they made general affirmative  
26 representations about the qualities of their vehicles with respect to emissions standards which  
27  
28

1 were misleading, deceptive, and incomplete without the disclosure of the additional facts set  
2 forth above regarding their emissions deception, the actual emissions of their vehicles, their  
3 actual philosophy with respect to compliance with federal and state clean air law and emissions  
4 regulations, and their actual practices with respect to the vehicles at issue.

5 180. Having volunteered to provide information to Plaintiffs, Defendants had the duty  
6 to disclose the entire truth. These omitted and concealed facts were material because they  
7 directly affect the value of the Fraudulent Vehicles purchased or leased by Plaintiffs. Whether a  
8 manufacturer's products comply with federal and state clean air law and emissions regulations,  
9 and whether that manufacturer tells the truth with respect to such compliance or non-compliance,  
10 are material concerns to a consumer, including with respect to the emissions certifications testing  
11 their vehicles must pass. Defendants represented to Plaintiffs that they were purchasing or  
12 leasing reduced emission vehicles, and certification testing appeared to confirm this—except  
13 that, secretly, Defendants had thoroughly subverted the testing process.

14 181. Defendants actively concealed and/or suppressed these material facts, in whole or  
15 in part, to pad and protect its profits and to avoid the perception that their vehicles did not or  
16 could not comply with federal and state laws governing clean air and emissions, which  
17 perception would hurt the brand's image and cost Defendants money, and Defendants did so at  
18 the expense of Plaintiffs.

19 182. On information and belief, Defendants have still not made full and adequate  
20 disclosures and continue to defraud Plaintiffs by concealing material information regarding both  
21 the emissions qualities of their vehicles and their emissions deception.

22 183. Plaintiffs were unaware of the omitted material facts referenced herein, and they  
23 would not have acted as they did if they had known of the concealed and/or suppressed facts, in  
24  
25  
26  
27  
28

1 that they would not have purchased purportedly compliant cars manufactured by Defendants,  
2 and/or would not have continued to drive their heavily polluting vehicles, or would have taken  
3 other affirmative steps in light of the information concealed from them. Plaintiffs' actions were  
4 justified. Defendants were in exclusive control of the material facts, and such facts were not  
5 known to the public, Plaintiffs.  
6

7 184. Because of the concealment and/or suppression of the facts, Plaintiffs have  
8 sustained damages because they own vehicles that are diminished in value as a result of  
9 Defendants' concealment of the true quality and quantity of those vehicles' emissions and  
10 Defendants' failure to timely disclose the defect or defective design of the EcoDiesel® engine  
11 system, the actual emissions qualities and quantities of hundreds of thousands of Ram- and Jeep-  
12 branded vehicles, and the serious issues engendered by Defendants' corporate policies. Had  
13 Plaintiffs been aware of Defendants' emissions deceptions with regard to the vehicles at issue,  
14 and their callous disregard for compliance with applicable federal and state law and regulations,  
15 Plaintiffs who purchased or leased new or previously owned vehicles would have paid less for  
16 their vehicles or would not have purchased or leased them at all.  
17  
18

19 185. The value of Plaintiffs' vehicles has diminished as a result of Defendants'  
20 fraudulent concealment of their emissions deception, which has greatly tarnished the brand  
21 names attached to Plaintiffs' vehicles and made any reasonable consumer reluctant to purchase  
22 any of the Vehicles, let alone pay what otherwise would have been fair market value for the  
23 vehicles.  
24

25 186. Accordingly, Defendants are liable to Plaintiffs for damages in an amount to be  
26 proven at trial.  
27  
28

1           187. Defendants' acts were done wantonly, maliciously, oppressively, deliberately,  
 2 with intent to defraud, and in reckless disregard of Plaintiffs' rights and the representations that  
 3 Defendants made to them, in order to enrich Defendants. Defendants' conduct warrants an  
 4 assessment of punitive damages in an amount sufficient to deter such conduct in the future,  
 5 which amount is to be determined according to proof.

6  
 7                   **COMMON COUNT 3**  
 8                   **BREACH OF CONTRACT**  
 9                   **(Common Law)**  
 10                  **(On Behalf of All Plaintiffs)**

11           188. Plaintiffs incorporate by reference all preceding allegations as though fully set  
 12 forth herein.

13           189. Defendants' misrepresentations and omissions alleged herein, including  
 14 Defendants' failure to disclose the existence of the "defeat device" and/or defective design as  
 15 alleged herein, caused Plaintiffs to make their purchases or leases of their Vehicles. Absent those  
 16 misrepresentations and omissions, Plaintiffs would not have purchased or leased these Vehicles,  
 17 would not have purchased or leased these Vehicles at the prices they paid, and/or would have  
 18 purchased or leased less expensive alternative vehicles that did not contain the "defeat device."  
 19 Accordingly, Plaintiffs overpaid for their Vehicles and did not receive the benefits of their  
 20 bargains.  
 21

22           190. Each and every sale or lease of a Fraudulent Vehicle constitutes a contract  
 23 between Defendants and the purchaser or lessee. Defendants breached these contracts by selling  
 24 or leasing Plaintiffs' Vehicles and by misrepresenting or failing to disclose the existence of the  
 25 defeat device and/or defective design, including information known to Defendants rendering  
 26 each Defeat Device Vehicle non-compliant with applicable emissions standards, and thus less  
 27 valuable, than vehicles not equipped with defeat devices.  
 28

1           191. As a direct and proximate result of Defendants' breach of contract, Plaintiffs have  
2 been damaged in an amount to be proven at trial, which shall include, but is not limited to, all  
3 compensatory damages, incidental and consequential damages, and other damages allowed by  
4 law.

5  
6                                   **COMMON COUNT 4**  
7                                   **IMPLIED AND WRITTEN WARRANTY**  
8                                   **Magnuson - Moss Warranty Act (15 U.S.C. §§ 2301, *et seq.*)**  
9                                   **(On Behalf of all Plaintiffs)**

10           192. Plaintiffs incorporate by reference each and every prior and subsequent allegation  
11 of this Complaint as if fully restated here.

12           193. This Court has jurisdiction to decide claims brought under 15 U.S.C. § 2301 by  
13 virtue of 15 U.S.C. § 2310(d).

14           194. Defendants' Vehicles are a "consumer product," as that term is defined in 15  
15 U.S.C. § 2301(1).

16           195. Plaintiffs are "consumers," as that term is defined in 15 U.S.C. § 2301(3).

17           196. Each Defendant is a "warrantor" and "supplier" as those terms are defined in 15  
18 U.S.C. § 2301(4) and (5).

19           197. 15 U.S.C. § 2310(d)(1) provides a cause of action for any consumer who is  
20 damaged by the failure of a warrantor to comply with an implied or written warranty.

21           198. As described herein, Defendants provided Plaintiffs with "implied warranties"  
22 and "written warranties" as those terms are defined in 15 U.S.C. § 2301.

23           199. Defendants have breached these warranties as described in more detail above.  
24 Without limitation, Defendants' Vehicles are defective, as described above, which resulted in the  
25 problems and failures also described above.  
26  
27  
28



1           200. By Defendants' conduct as described herein, including knowledge of the defects  
 2 inherent in the vehicles and Defendants' action, and inaction, in the face of the knowledge,  
 3 Defendants have failed to comply with their obligations under their written and implied  
 4 promises, warranties, and representations.

5           201. In their capacity as warrantors, and by the conduct described herein, any attempts  
 6 by Defendants to limit the implied warranties in a manner that would exclude coverage of the  
 7 defective software and systems is unconscionable and any such effort to disclaim, or otherwise  
 8 limit, liability for the defective the software and supporting systems is null and void.

9  
 10           202. All jurisdictional prerequisites have been satisfied.

11           203. Plaintiffs are in privity with Defendants in that they purchased the software from  
 12 Defendants or their agents.

13           204. As a result of Defendants' breach of warranties, Plaintiffs are entitled to revoke  
 14 their acceptance of the vehicles, obtain damages and equitable relief, and obtain costs pursuant to  
 15 15 U.S.C. § 2310.  
 16

17  
 18                           **COMMON COUNT 5**  
 19                           **UNJUST ENRICHMENT**  
                           **(On Behalf of all Plaintiffs)**

20           205. Plaintiffs incorporate by reference each and every prior and subsequent allegation  
 21 of this Complaint as if fully restated here.

22           206. Plaintiffs conferred a benefit on Defendants by, *inter alia*, using (and paying a  
 23 premium for) its vehicles.  
 24

25           207. Defendants have retained this benefit, and know of and appreciate this benefit.

26           208. Defendants were and continue to be unjustly enriched at the expense of Plaintiffs.

27           209. Defendants should be required to disgorge this unjust enrichment.  
 28

**COMMON COUNT 6**  
**VIOLATIONS OF THE DELAWARE CONSUMER FRAUD ACT**  
**(6 Del. Code § 2513, *et seq.*)**  
**(On Behalf of all Plaintiffs)**

210. Plaintiffs incorporate by reference each preceding paragraph as though fully set forth herein.

211. Defendants are “person[s]” within the meaning of 6 Del. Code § 2511(7).

212. The Delaware Consumer Fraud Act (“Delaware CFA”) prohibits the “act, use or employment by any person of any deception, fraud, false pretense, false promise, misrepresentation, or the concealment, suppression, or omission of any material fact with intent that others rely upon such concealment, suppression or omission, in connection with the sale, lease or advertisement of any merchandise, whether or not any person has in fact been misled, deceived or damaged thereby.” 6 Del. Code § 2513(a).

213. In the course of their business, Defendants concealed and suppressed material facts concerning the Fraudulent Vehicles. The Defendants installed software in their vehicles that enabled emissions controls for nitrogen oxide—a pollutant that contributes to health problems and global warming—to pass EPA emissions testing while at the same time disabling the same controls during real- world driving. Specifically, the software was designed to cheat emission testing by showing lower emissions during laboratory testing conditions than actually existed when the vehicle operated on the road. This deceptive practice enabled Defendants’ vehicles to pass emission certification tests through deliberately induced lower-than-real-world emissions readings.

1           214. Plaintiffs had no way of discerning that Defendants' representations were false  
2 and misleading because Defendants' defeat device software was extremely sophisticated  
3 technology. Plaintiffs did not and could not unravel Defendants' deception on their own.

4           215. Defendants thus violated the Act by, at minimum: by employing deception,  
5 deceptive acts or practices, fraud, misrepresentations, or concealment, suppression or omission  
6 of any material fact with intent that others rely upon such concealment, suppression or omission,  
7 in connection with the sale of Vehicles.

8  
9           216. Defendants engaged in misleading, false, unfair or deceptive acts or practices that  
10 violated the Delaware CFA by installing, failing to disclose and actively concealing the illegal  
11 defeat device and the true cleanliness and performance of the "clean" diesel engine system, by  
12 marketing its vehicles as legal, reliable, environmentally clean, efficient, and of high quality, and  
13 by presenting itself as a reputable manufacturer that valued environmental cleanliness and  
14 efficiency, and that stood behind its vehicles after they were sold.

15  
16           217. The Clean Air Act and EPA regulations require that automobiles limit their  
17 emissions output to specified levels. These laws are intended for the protection of public health  
18 and welfare. "Defeat devices" like those in the Fraudulent Vehicles are defined and prohibited by  
19 the Clean Air Act and its regulations. See 42 U.S.C. § 7522(a)(3)(B); 40 CFR § 86.1809. By  
20 installing illegal "defeat devices" in the Fraudulent Vehicles and by making those vehicles  
21 available for purchase, Defendants violated federal law and therefore engaged in conduct that  
22 violates the Delaware CFA.

23  
24           218. Defendants knew the true nature of its "clean" diesel engine system, but  
25 concealed all of that information until recently. Defendants were also aware that it valued profits  
26 over environmental cleanliness, efficiency, and compliance with the law, and that it was  
27  
28

1 manufacturing, selling, and distributing vehicles throughout the United States that did not  
2 comply with EPA regulations. Defendants concealed this information as well.

3 219. Defendants intentionally and knowingly misrepresented material facts regarding  
4 the Fraudulent Vehicles with intent to mislead Plaintiffs.

5 220. Defendants knew or should have known that their conduct violated the Delaware  
6 CFA.

7 221. Defendants owed Plaintiffs a duty to disclose the illegality and public health and  
8 safety risks of the Fraudulent Vehicles because they:

9  
10 A. possessed exclusive knowledge that they were manufacturing, selling, and  
11 distributing vehicles throughout the United States that did not comply with EPA regulations;

12 B. intentionally concealed the foregoing from regulators, Plaintiffs; and/or

13 C. made incomplete representations about the environmental cleanliness and  
14 efficiency of the Fraudulent Vehicles generally, and the use of the defeat device in particular,  
15 while purposefully withholding material facts from Plaintiffs that contradicted these  
16 representations.  
17

18  
19 222. Defendants concealed the illegal defeat device and the true emissions, efficiency,  
20 and performance of the “clean” diesel system, resulting in a raft of negative publicity once the  
21 defects finally began to be disclosed. The value of the Fraudulent Vehicles has therefore greatly  
22 diminished. In light of the stigma attached to those vehicles by Defendants’ conduct, they are  
23 now worth significantly less than they otherwise would be worth.  
24

25 223. Defendants’ fraudulent use of the “defeat device” and its concealment of the true  
26 characteristics of the “clean” diesel engine system were material to Plaintiffs.  
27  
28

1           224. Defendants' unfair or deceptive acts or practices were likely to and did in fact  
2 deceive regulators and reasonable consumers, including Plaintiffs, about the true environmental  
3 cleanliness and efficiency of Jeep- and Ram-branded vehicles, the quality of the Jeep and Ram  
4 brands, the devaluing of environmental cleanliness and integrity at Fiat Chrysler, and the true  
5 value of the Fraudulent Vehicles.  
6

7           225. Plaintiffs suffered ascertainable loss and actual damages as a direct and proximate  
8 result of Defendants' misrepresentations and its concealment of and failure to disclose material  
9 information. Plaintiffs who purchased or leased the Fraudulent Vehicles would not have  
10 purchased or leased them at all and/or—if the Fraudulent Vehicles' true nature had been  
11 disclosed and mitigated, and the Fraudulent Vehicles rendered legal to sell—would have paid  
12 significantly less for them. Plaintiffs also suffered diminished value of their vehicles, as well as  
13 lost or diminished use.  
14

15           226. Defendants had an ongoing duty to all their customers to refrain from unfair and  
16 deceptive practices under the Delaware CFA. All owners of the Fraudulent Vehicles suffered  
17 ascertainable loss in the form of the diminished value of their vehicles as a result of Defendants'  
18 deceptive and unfair acts and practices made in the course of Defendants' business.  
19

20           227. Defendants' violations present a continuing risk to Plaintiffs as well as to the  
21 general public. Defendants' unlawful acts and practices complained of herein affect the public  
22 interest.  
23

24           228. As a direct and proximate result of Defendants' violations of the Delaware CFA,  
25 Plaintiffs have suffered injury-in-fact and/or actual damage.

26           229. Plaintiffs seek damages under the Delaware CFA for injury resulting from the  
27 direct and natural consequences of Defendants' unlawful conduct. See, e.g., *Stephenson v.*  
28

1 *Capano Dev., Inc.*, 462 A.2d 1069, 1077 (Del. 1983). Plaintiffs also seek an order enjoining  
 2 Defendants' unfair, unlawful, and/or deceptive practices, declaratory relief, attorneys' fees, and  
 3 any other just and proper relief available under the Delaware CFA.

4 230. Defendants engaged in gross, oppressive or aggravated conduct justifying the  
 5 imposition of punitive damages.  
 6

7 **COMMON COUNT 7**  
 8 **BREACH OF THE IMPLIED WARRANTY OF MERCHANTABILITY**  
 9 **(6 Del. Code §§ 2-314 and 2A-212)**  
 10 **(On Behalf of all Plaintiffs)**

11 231. Plaintiffs reallege and incorporate by reference all allegations of the preceding  
 12 paragraphs as though fully set forth herein.

13 232. Defendants are and were at all relevant times "merchants" with respect to motor  
 14 vehicles under 6 Del. C. §§ 2-104(1) and 2A-103(3), and "sellers" of motor vehicles under § 2-  
 15 103(1)(d).

16 233. With respect to leases, Defendants are and were at all relevant times "lessors" of  
 17 motor vehicles under 6 Del. C. § 2A-103(1)(p).

18 234. The Vehicles are and were at all relevant times "goods" within the meaning of 6  
 19 Del. C. §§ 2-105(1) and 2A-103(1)(h).  
 20

21 235. A warranty that the Fraudulent Vehicles were in merchantable condition and fit  
 22 for the ordinary purpose for which vehicles are used is implied by law pursuant to 6 Del. C. §§ 2-  
 23 314 and 2A- 212).

24 236. These Vehicles, when sold or leased and at all times thereafter, were not in  
 25 merchantable condition and are not fit for the ordinary purpose for which vehicles are used.  
 26 Specifically, the Fraudulent Vehicles are inherently defective in that they do not comply with  
 27  
 28

1 federal and state emissions standards, rendering certain emissions functions inoperative; and the  
 2 “clean” diesel engine system was not adequately designed, manufactured, and tested.

3 237. Defendants were provided notice of these issues by the investigations of the EPA  
 4 and individual state regulators, numerous complaints filed against it including the instant  
 5 Complaint, and by numerous individual letters and communications sent by Plaintiffs and others  
 6 within a reasonable amount of time after the allegations of Vehicle defects became public.  
 7

8 238. As a direct and proximate result of Defendants’ breach of the implied warranty of  
 9 merchantability, Plaintiffs have been damaged in an amount to be proven at trial.

10 **COMMON COUNT 8**  
 11 **BREACH OF EXPRESS WARRANTY**  
 12 **(6 Del. Code §§ 2-313 and 2A-210)**  
 13 **(On Behalf of all Plaintiffs)**

14 239. Plaintiffs reallege and incorporate by reference all preceding allegations as though  
 15 fully set forth herein.

16 240. Defendants are and were at all relevant times “merchants” with respect to motor  
 17 vehicles under 6 Del. C. §§ 2-104(1) and 2A-103(3), and “sellers” of motor vehicles under § 2-  
 18 103(1)(d).

19 241. With respect to leases Defendants are and were at all relevant times “lessors” of  
 20 motor vehicles under 6 Del. C. § 2A-103(1)(p).  
 21

22 242. The Vehicles are and were at all relevant times “goods” within the meaning of 6  
 23 Del. C. §§ 2-105(1) and 2A-103(1)(h).

24 243. In connection with the purchase or lease of each one of its new vehicles,  
 25 Defendants provide an express New Vehicle Limited Warranty (“NVLW”). This NVLW exists  
 26 to cover “any repair to correct a manufacturers defect in materials or workmanship.”  
 27  
 28

1           244. The Clean Air Act requires manufacturers of light-duty vehicles to provide two  
2 federal emission control warranties: a “Performance Warranty” and a “Design and Defect  
3 Warranty.”

4           245. The EPA requires vehicle manufacturers to provide a Performance Warranty with  
5 respect to the vehicles’ emission systems. Thus, FCA also provides an express warranty for its  
6 vehicles through a Federal Emissions Performance Warranty. The Performance Warranty  
7 required by the EPA applies to repairs that are required during the first two years or 24,000  
8 miles, whichever occurs first, when a vehicle fails an emissions test. Under this warranty, certain  
9 major emission control components are covered for the first eight years or 80,000 miles,  
10 whichever comes first. These major emission control components subject to the longer warranty  
11 include the catalytic converters, the electronic emission control unit, and the onboard emission  
12 diagnostic device or computer.  
13

14           246. The EPA requires vehicle manufacturers to issue Design and Defect Warranties  
15 with respect to their vehicles’ emission systems. Thus, Defendants also provide an express  
16 warranty for their vehicles through a Federal Emission Control System Defect Warranty. The  
17 Design and Defect Warranty required by the EPA covers repair of emission control or emission  
18 related parts which fail to function or function improperly because of a defect in materials or  
19 workmanship. This warranty provides protection for two years or 24,000 miles, whichever  
20 comes first, or, for the major emission control components, for eight years or 80,000 miles,  
21 whichever comes first.  
22

23           247. As manufacturers of light-duty vehicles, Defendants were required to provide  
24 these warranties to purchasers or lessees of their “clean” diesel vehicles.  
25  
26  
27  
28



1           248. Defendants' warranties formed a basis of the bargain that was reached when  
2 Plaintiffs purchased or leased their Vehicles equipped with the non-compliant "clean" diesel  
3 engine and emission systems.

4           249. Plaintiffs experienced defects within the warranty period. Despite the existence of  
5 warranties, Defendants failed to inform Plaintiffs that the Fraudulent Vehicles were intentionally  
6 designed and manufactured to be out of compliance with applicable state and federal emissions  
7 laws, and failed to fix the defective emission components free of charge.

8           250. Defendants breached the express warranty promising to repair and correct a  
9 manufacturing defect or materials or workmanship of any parts they supplied. Defendants have  
10 not repaired or adjusted, and have been unable to repair or adjust, the Fraudulent Vehicles'  
11 materials and workmanship defects.

12           251. Furthermore, the limited warranty promising to repair and/or correct a  
13 manufacturing defect fails in its essential purpose because the contractual remedy is insufficient  
14 to make Plaintiffs whole and because Defendants have failed and/or have refused to adequately  
15 provide the promised remedies within a reasonable time.

16           252. Accordingly, recovery by Plaintiffs are not restricted to the limited warranty  
17 promising to repair and/or correct a manufacturing defect, and Plaintiffs seek all remedies as  
18 allowed by law.

19           253. Also, as alleged in more detail herein, at the time Defendants warranted and sold  
20 or leased the Fraudulent Vehicles, they knew that the Fraudulent Vehicles were inherently  
21 defective and did not conform to their warranties; further, Defendants had wrongfully and  
22 fraudulently concealed material facts regarding the Fraudulent Vehicles. Plaintiffs were therefore  
23 induced to purchase or lease the Fraudulent Vehicles under false and/or fraudulent pretenses.  
24  
25  
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1           254. Moreover, many of the injuries flowing from the Fraudulent Vehicles cannot be  
2 resolved through the limited remedy of “replacements or adjustments,” as many incidental and  
3 consequential damages have already been suffered because of Defendants’ fraudulent conduct as  
4 alleged herein, and because of their failure and/or continued failure to provide such limited  
5 remedy within a reasonable time, and any limitation on Plaintiffs’ remedies would be insufficient  
6 to make Plaintiffs whole.  
7

8           255. Finally, because of Defendants’ breach of warranty as set forth herein, Plaintiffs  
9 assert, as additional and/or alternative remedies, the revocation of acceptance of the goods and  
10 the return to Plaintiffs purchase or lease price of all Vehicles currently owned or leased, and for  
11 such other incidental and consequential damages as allowed.  
12

13           256. Defendants were provided notice of these issues by numerous complaints filed  
14 against them, including the instant Complaint, within a reasonable amount of time after Fiat  
15 Chrysler was accused by the EPA and CARB of using a defeat device in the Fraudulent Vehicles  
16 to evade clean air standards.  
17

18           257. As a direct and proximate result of Defendants’ breach of express warranties,  
19 Plaintiff have been damaged in an amount to be determined at trial.

20           258. Defendants did not promptly replace or buy back the Fraudulent Vehicles of  
21 Plaintiffs.  
22

23           259. As a result of Defendants’ breach of its express warranties, Plaintiffs received  
24 goods whose dangerous condition substantially impairs their value to Plaintiffs. Plaintiffs have  
25 been damaged as a result of the diminished value of Defendants’ products, the products’  
26 malfunctioning, and the nonuse of their Vehicles.  
27  
28

**VIII. STATE-SPECIFIC COUNTS**

**ALABAMA COUNTS**

**ALABAMA COUNT 1  
VIOLATIONS OF ALABAMA DECEPTIVE TRADE PRACTICES ACT  
(Ala. Code § 8-19-1, et seq.)  
(On behalf of the Alabama Plaintiffs)**

260. Plaintiffs incorporate by reference each preceding paragraph as though fully set forth herein.

261. Plaintiffs are “consumers” within the meaning of Ala. 11 Code § 8-19-3(2).

262. Plaintiffs and Defendants are “persons” within the meaning of 13 Ala. Code § 8-19-3(5).

263. The Fraudulent Vehicles are “goods” within the meaning of Ala. Code § 8-19-3(3).

264. Defendants were and are engaged in “trade or commerce” within the meaning of Ala. Code § 8-19-3(8).

265. The Alabama Deceptive Trade Practices Act (“Alabama DTPA”) declares several specific actions to be unlawful, including: “(5) Representing that goods or services have sponsorship, approval, characteristics, ingredients, uses, benefits, or qualities that they do not have,” “(7) Representing that goods or services are of a particular standard, quality, or grade, or that goods are of a particular style or model, if they are of another,” and “(27) Engaging in any other unconscionable, false, misleading, or deceptive act or practice in the conduct of trade or commerce.” Ala. Code § 8-19-5.

266. In the course of their business, Defendants concealed and suppressed material facts concerning the Fraudulent Vehicles. The Defendants installed software in their vehicles that enabled emissions controls for nitrogen oxide—a pollutant that contributes to health problems and global warming—to pass EPA emissions testing while at the same time disabling the same controls

1 during real- world driving. Specifically, the software was designed to cheat emission testing by  
2 showing lower emissions during laboratory testing conditions then actually existed when the  
3 vehicle operated on the road. This deceptive practice enabled Defendants' vehicles to pass  
4 emission certification tests through deliberately induced lower-than-real-world emissions  
5 readings.

6  
7 267. Plaintiffs had no way of discerning that Defendants' representations were false  
8 and misleading because Defendants' defeat device software was extremely sophisticated  
9 technology. Plaintiffs did not and could not unravel Defendants' deception on their own.

10  
11 268. Defendants thus violated the Act by, at minimum: knowingly representing that  
12 Fraudulent Vehicles have uses and benefits which they do not have; representing that Fraudulent  
13 Vehicles are of a particular standard, quality, and grade when they are not; advertising Fraudulent  
14 Vehicles with the intent not to sell or lease them as advertised; and representing that the subject of  
15 a transaction involving Fraudulent Vehicles has been supplied in accordance with a previous  
16 representation when it was not; and knowingly making other false representations in a transaction.

17  
18 269. Defendants engaged in misleading, false, unfair or deceptive acts or practices that  
19 violated the Alabama DTPA by installing, failing to disclose and actively concealing the illegal  
20 defeat device and the true cleanliness and performance of the "clean" diesel engine system, by  
21 marketing its vehicles as legal, reliable, environmentally clean, efficient, and of high quality, and  
22 by presenting itself as a reputable manufacturer that valued environmental cleanliness and  
23 efficiency, and that stood behind its vehicles after they were sold.

24  
25 270. The Clean Air Act and EPA regulations require that automobiles limit their  
26 emissions output to specified levels. These laws are intended for the protection of public health  
27 and welfare. "Defeat devices" like those in the Fraudulent Vehicles are defined and prohibited  
28

1 by the Clean Air Act and its regulations. *See* 42 U.S.C. § 7522(a)(3)(B); 40 CFR § 86.1809. By  
2 installing illegal “defeat devices” in the Fraudulent Vehicles and by making those vehicles  
3 available for purchase, Defendants violated federal law and therefore engaged in conduct that  
4 violates the Alabama DTPA.

5 271. Defendants knew the true nature of its “clean” diesel engine system, but concealed  
6 all of that information until recently. Defendants were also aware that it valued profits over  
7 environmental cleanliness, efficiency, and compliance with the law, and that it was  
8 manufacturing, selling, and distributing vehicles throughout the United States that did not  
9 comply with EPA regulations. Defendants concealed this information as well.

10 272. Defendants intentionally and knowingly misrepresented material facts regarding  
11 the Fraudulent Vehicles with intent to mislead Plaintiffs.

12 273. Defendants knew or should have known that their conduct violated the Alabama  
13 DTPA.

14 274. Defendants owed Plaintiffs a duty to disclose the illegality and public health and  
15 safety risks of the Fraudulent Vehicles because they:

16 A. possessed exclusive knowledge that they were manufacturing, selling,  
17 and distributing vehicles throughout the United States that did not comply with EPA  
18 regulations;

19 B. intentionally concealed the foregoing from regulators and Plaintiffs;  
20 and/or

21 C. made incomplete representations about the environmental cleanliness  
22 and efficiency of the Fraudulent Vehicles generally, and the use of the defeat device  
23 in particular, while purposefully withholding material facts from Plaintiffs that  
24  
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1 contradicted these representations.

2       275. Defendants concealed the illegal defeat device and the true emissions, efficiency,  
3 and performance of the “clean” diesel system, resulting in a raft of negative publicity once the  
4 defects finally began to be disclosed. The value of the Fraudulent Vehicles has therefore greatly  
5 diminished. In light of the stigma attached to those vehicles by Defendants’ conduct, they are  
6 now worth significantly less than they otherwise would be worth.  
7

8       276. Defendants’ fraudulent use of the “defeat device” and its concealment of  
9 the true characteristics of the “clean” diesel engine system were material to Plaintiffs.  
10

11       277. Defendants’ unfair or deceptive acts or practices were likely to and did in fact  
12 deceive regulators and reasonable consumers, including Plaintiffs, about the true environmental  
13 cleanliness and efficiency of Jeep- and Ram-branded vehicles, the quality of the Jeep and Ram  
14 brands, the devaluing of environmental cleanliness and integrity at Fiat Chrysler, and the true  
15 value of the Fraudulent Vehicles.  
16

17       278. Plaintiffs suffered ascertainable loss and actual damages as a direct and proximate  
18 result of Defendants’ misrepresentations and its concealment of and failure to disclose material  
19 information. Plaintiffs who purchased or leased the Fraudulent Vehicles would not have  
20 purchased or leased them at all and/or—if the Fraudulent Vehicles’ true nature had been  
21 disclosed and mitigated, and the Fraudulent Vehicles rendered legal to sell—would have paid  
22 significantly less for them. Plaintiffs also suffered diminished value of their vehicles, as well as  
23 lost or diminished use.  
24

25       279. Defendants had an ongoing duty to all their customers to refrain from unfair and  
26 deceptive practices under the Alabama DTPA. All owners of Fraudulent Vehicles suffered  
27 ascertainable loss in the form of the diminished value of their vehicles as a result of Defendants’  
28

1 deceptive and unfair acts and practices made in the course of Defendants' business.

2 280. Defendants' violations present a continuing risk to Plaintiffs as well as to the  
3 general public. Defendants' unlawful acts and practices complained of herein affect the public  
4 interest.

5 281. As a direct and proximate result of Defendants' violations of the Alabama DTPA,  
6 Plaintiffs have suffered injury-in-fact and/or actual damage.

7 282. Pursuant to Ala. Code § 8-19-10, Plaintiffs seek monetary relief against  
8 Defendants measured as the greater of (a) actual damages in an amount to be determined at trial  
9 and (b) statutory damages in the amount of \$100 for each Plaintiff. Plaintiffs also seek an order  
10 enjoining Defendants' unfair, unlawful, and/or deceptive practices, attorneys' fees, and any other  
11 just and proper relief available under the Ala. Code § 8-19-1, et seq.  
12

13  
14 **ALABAMA COUNT 2**  
15 **BREACH OF IMPLIED WARRANTY OF MERCHANTABILITY**  
16 **(Ala. Code §§ 7-2-314 and 7-2A-212)**  
**(On behalf of the Alabama Plaintiffs)**

17 283. Plaintiffs reallege and incorporate by reference all allegations of the preceding  
18 paragraphs as though fully set forth herein.

19 284. Defendants are and were at all relevant times "merchants" with respect to motor  
20 vehicles under Ala. Code §§ 7-2-104(1) and 7-2A-103(3), and "sellers" of motor vehicles under  
21 § 7-2-103(1)(d).  
22

23 285. With respect to leases, Defendants are and were at all relevant times "lessors" of  
24 motor vehicles under Ala. Code. § 7-2A-103(1)(p).  
25

26 286. The Fraudulent Vehicles are and were at all relevant times "goods" within the  
27 meaning of Ala. Code §§ 7-2-105(1) and 7-2A-103(1)(h)  
28

1           287. A warranty that the Fraudulent Vehicles were in merchantable condition and fit  
2 for the ordinary purpose for which vehicles are used is implied by law pursuant to Ala. Code §§  
3 7-2-314 and 7-2A-212.

4           288. These Fraudulent Vehicles, when sold or leased and at all times thereafter, were  
5 not in merchantable condition and are not fit for the ordinary purpose for which vehicles are  
6 used. Specifically, the Fraudulent Vehicles are inherently defective in that they do not comply  
7 with federal and state emissions standards, rendering certain emissions functions inoperative; and  
8 the “clean” diesel engine system was not adequately designed, manufactured, and tested.  
9

10           289. Defendants were provided notice of these issues by the investigations of the EPA  
11 and individual state regulators, numerous complaints filed against it including the instant  
12 Complaint, and by numerous individual letters and communications sent by Plaintiffs and others  
13 within a reasonable amount of time after the allegations of Fraudulent Vehicle defects became  
14 public.  
15

16           290. As a direct and proximate result of the Defendants’ breach of the implied  
17 warranty of merchantability, Plaintiffs have been damaged in an amount to be proven at trial.  
18

19                           **ALABAMA COUNT 3**  
20                           **BREACH OF EXPRESS WARRANTY**  
21                           **(Ala. Code §§ 7-2-313 and 7-2A-210)**  
22                           **(On behalf of the Alabama Plaintiffs)**

23           291. Plaintiffs reallege and incorporate by reference all preceding allegations as though  
24 fully set forth herein.

25           292. Defendants are and were at all relevant times “merchants” with respect to motor  
26 vehicles under Ala. Code §§ 7-2-104(1) and 7-2A-103(3), and “sellers” of motor vehicles under  
27 § 7-2-103(1)(d).  
28



1           293. With respect to leases, Defendants are and were at all relevant times “lessors” of  
2 motor vehicles under Ala. Code. § 7-2A-103(1)(p).

3           294. The Fraudulent Vehicles are and were at all relevant times “goods” within the  
4 meaning of Ala. Code §§ 7-2-105(1) and 7-2A-103(1)(h).

5           295. In connection with the purchase or lease of each one of its new vehicles,  
6 Defendants provide an express New Vehicle Limited Warranty (“NVLW”). This NVLW exists  
7 to cover “any repair to correct a manufacturers defect in materials or workmanship.”  
8

9           296. The Clean Air Act requires manufacturers of light-duty vehicles to provide two  
10 federal emission control warranties: a “Performance Warranty” and a “Design and Defect  
11 Warranty.”  
12

13           297. The EPA requires vehicle manufacturers to provide a Performance Warranty with  
14 respect to the vehicles’ emission systems. Thus, FCA also provides an express warranty for its  
15 vehicles through a Federal Emissions Performance Warranty. The Performance Warranty  
16 required by the EPA applies to repairs that are required during the first two years or 24,000  
17 miles, whichever occurs first, when a vehicle fails an emissions test. Under this warranty, certain  
18 major emission control components are covered for the first eight years or 80,000 miles,  
19 whichever comes first. These major emission control components subject to the longer warranty  
20 include the catalytic converters, the electronic emission control unit, and the onboard emission  
21 diagnostic device or computer.  
22

23           298. The EPA requires vehicle manufacturers to issue Design and Defect Warranties  
24 with respect to their vehicles’ emission systems. Thus, Defendants also provide an express  
25 warranty for their vehicles through a Federal Emission Control System Defect Warranty. The  
26 Design and Defect Warranty required by the EPA covers repair of emission control or emission  
27  
28

1 related parts which fail to function or function improperly because of a defect in materials or  
2 workmanship. This warranty provides protection for two years or 24,000 miles, whichever  
3 comes first, or, for the major emission control components, for eight years or 80,000 miles,  
4 whichever comes first.

5 299. As manufacturers of light-duty vehicles, Defendants were required to provide these  
6 warranties to purchasers or lessees of their “clean” diesel vehicles.  
7

8 300. Defendants’ warranties formed a basis of the bargain that was reached when  
9 Plaintiffs and purchased or leased their Fraudulent Vehicles equipped with the non-compliant  
10 “clean” diesel engine and emission systems.

11 301. Plaintiffs experienced defects within the warranty period. Despite the  
12 existence of warranties, Defendants failed to inform Plaintiffs that the Fraudulent Vehicles were  
13 intentionally designed and manufactured to be out of compliance with applicable state and  
14 federal emissions laws, and failed to fix the defective emission components free of charge.  
15

16 302. Defendants breached the express warranty promising to repair and correct a  
17 manufacturing defect or materials or workmanship of any parts they supplied. Defendants have  
18 not repaired or adjusted, and have been unable to repair or adjust, the Fraudulent Vehicles’  
19 materials and workmanship defects.  
20

21 303. Furthermore, the limited warranty promising to repair and/or correct a  
22 manufacturing defect fails in its essential purpose because the contractual remedy is insufficient  
23 to make Plaintiffs whole and because Defendants have failed and/or have refused to adequately  
24 provide the promised remedies within a reasonable time.  
25

26 304. Accordingly, recovery by Plaintiffs is not restricted to the limited warranty  
27 promising to repair and/or correct a manufacturing defect, and Plaintiffs seek all remedies as  
28

1 allowed by law.

2 305. Also, as alleged in more detail herein, at the time Defendants warranted and sold  
3 or leased the Fraudulent Vehicles, they knew that the Fraudulent Vehicles were inherently  
4 defective and did not conform to their warranties; further, Defendants had wrongfully and  
5 fraudulently concealed material facts regarding the Fraudulent Vehicles. Plaintiffs were  
6 therefore induced to purchase or lease the Fraudulent Vehicles under false and/or fraudulent  
7 pretenses.  
8

9 306. Moreover, many of the injuries flowing from the Fraudulent Vehicles cannot be  
10 resolved through the limited remedy of “replacements or adjustments,” as many incidental and  
11 consequential damages have already been suffered because of Defendants’ fraudulent conduct  
12 as alleged herein, and because of their failure and/or continued failure to provide such limited  
13 remedy within a reasonable time, and any limitation on Plaintiffs’ remedies would be  
14 insufficient to make Plaintiffs.  
15

16 307. Finally, because of Defendants’ breach of warranty as set forth herein, Plaintiffs  
17 assert, as additional and/or alternative remedies, the revocation of acceptance of the goods and  
18 the return to Plaintiffs of the purchase or lease price of all Fraudulent Vehicles currently owned  
19 or leased, and for such other incidental and consequential damages as allowed.  
20

21 308. Defendants were provided notice of these issues by numerous complaints filed  
22 against them, including the instant Complaint, within a reasonable amount of time after Fiat  
23 Chrysler was accused by the EPA and CARB of using a defeat device in the Fraudulent  
24 Vehicles to evade clean air standards.  
25

26 309. As a direct and proximate result of Defendants’ breach of express warranties,  
27 Plaintiffs have been damaged in an amount to be determined at trial.  
28

**CALIFORNIA COUNTS**

**CALIFORNIA COUNT 1  
VIOLATIONS OF THE CONSUMER LEGAL REMEDIES ACT  
(Cal. Civ. Code § 1750, et seq.)  
(On behalf of the California Plaintiffs)**

310. Plaintiffs incorporate by reference each preceding paragraph as though fully set forth herein.

311. Defendants are “person[s]” under Cal. Civ. Code § 1761(c).

312. Plaintiffs are “consumers,” as defined by Cal. Civ. Code § 1761(d), who purchased or leased one or more Fraudulent Vehicles.

313. The California Legal Remedies Act (“CLRA”) prohibits “unfair or deceptive acts or practices undertaken by any person in a transaction intended to result or which results in the sale or lease of goods or services to any consumer[.]” Cal. Civ. Code § 1770(a). Defendants have engaged in unfair or deceptive acts or practices that violated Cal. Civ. Code § 1750, et seq., as described above and below by, at a minimum, representing that Fraudulent Vehicles have characteristics, uses, benefits, and qualities which they do not have; representing that Fraudulent Vehicles are of a particular standard, quality, and grade when they are not; advertising Fraudulent Vehicles with the intent not to sell or lease them as advertised; and representing that the subject of a transaction involving Fraudulent Vehicles has been supplied in accordance with a previous representation when it has not.

314. In the course of their business, Defendants concealed and suppressed material facts concerning the Fraudulent Vehicles. The Defendants installed software in their vehicles that enabled emissions controls for nitrogen oxide—a pollutant that contributes to health problems and global warming—to pass EPA emissions testing while at the same time disabling the same controls

1 during real- world driving. Specifically, the software was designed to cheat emission testing by  
2 showing lower emissions during laboratory testing conditions then actually existed when the  
3 vehicle operated on the road. This deceptive practice enabled Defendants' vehicles to pass  
4 emission certification tests through deliberately induced lower-than-real-world emissions  
5 readings.

6  
7 315. Plaintiffs had no way of discerning that Defendants' representations were false  
8 and misleading because Defendants' defeat device software was extremely sophisticated  
9 technology. Plaintiffs did not and could not unravel Defendants' deception on their own.

10 316. Defendants thus violated the Act by, at minimum: knowingly representing that  
11 Fraudulent Vehicles have uses and benefits which they do not have; representing that Fraudulent  
12 Vehicles are of a particular standard, quality, and grade when they are not; advertising Fraudulent  
13 Vehicles with the intent not to sell or lease them as advertised; and representing that the subject of  
14 a transaction involving Fraudulent Vehicles has been supplied in accordance with a previous  
15 representation when it was not; and knowingly making other false representations in a transaction.

16  
17 317. Defendants engaged in misleading, false, unfair or deceptive acts or practices that  
18 violated the CLRA by installing, failing to disclose and actively concealing the illegal defeat  
19 device and the true cleanliness and performance of the "clean" diesel engine system, by  
20 marketing its vehicles as legal, reliable, environmentally clean, efficient, and of high quality, and  
21 by presenting itself as a reputable manufacturer that valued environmental cleanliness and  
22 efficiency, and that stood behind its vehicles after they were sold.

23  
24 318. The Clean Air Act and EPA regulations require that automobiles limit their  
25 emissions output to specified levels. These laws are intended for the protection of public health  
26 and welfare. "Defeat devices" like those in the Fraudulent Vehicles are defined and prohibited  
27  
28

1 by the Clean Air Act and its regulations. *See* 42 U.S.C. § 7522(a)(3)(B); 40 CFR § 86.1809. By  
 2 installing illegal “defeat devices” in the Fraudulent Vehicles and by making those vehicles  
 3 available for purchase, Defendants violated federal law and therefore engaged in conduct that  
 4 violates the CLRA.

5 319. Defendants knew the true nature of its “clean” diesel engine system, but concealed  
 6 all of that information until recently. Defendants were also aware that it valued profits over  
 7 environmental cleanliness, efficiency, and compliance with the law, and that it was  
 8 manufacturing, selling, and distributing vehicles throughout the United States that did not  
 9 comply with EPA regulations. Defendants concealed this information as well.

10 320. Defendants intentionally and knowingly misrepresented material facts regarding  
 11 the Fraudulent Vehicles with intent to mislead Plaintiffs.

12 321. Defendants knew or should have known that their conduct violated the CLRA.

13 322. Defendants owed Plaintiffs a duty to disclose the illegality and public health and  
 14 safety risks of the Fraudulent Vehicles because they:

15 A. possessed exclusive knowledge that they were manufacturing, selling,  
 16 and distributing vehicles throughout the United States that did not comply with EPA  
 17 regulations;

18 B. intentionally concealed the foregoing from regulators and Plaintiffs;  
 19 and/or

20 C. made incomplete representations about the environmental cleanliness  
 21 and efficiency of the Fraudulent Vehicles generally, and the use of the defeat device  
 22 in particular, while purposefully withholding material facts from Plaintiffs that  
 23 contradicted these representations.  
 24  
 25  
 26  
 27  
 28

1           323. Defendants concealed the illegal defeat device and the true emissions, efficiency,  
2 and performance of the “clean” diesel system, resulting in a raft of negative publicity once the  
3 defects finally began to be disclosed. The value of the Fraudulent Vehicles has therefore greatly  
4 diminished. In light of the stigma attached to those vehicles by Defendants’ conduct, they are  
5 now worth significantly less than they otherwise would be worth.

6           324. Defendants’ fraudulent use of the “defeat device” and its concealment of  
7 the true characteristics of the “clean” diesel engine system were material to Plaintiffs.  
8

9           325. Defendants’ unfair or deceptive acts or practices were likely to and did in fact  
10 deceive regulators and reasonable consumers, including Plaintiffs, about the true environmental  
11 cleanliness and efficiency of Jeep- and Ram-branded vehicles, the quality of the Jeep and Ram  
12 brands, the devaluing of environmental cleanliness and integrity at Fiat Chrysler, and the true  
13 value of the Fraudulent Vehicles.  
14

15           326. Plaintiffs suffered ascertainable loss and actual damages as a direct and proximate  
16 result of Defendants’ misrepresentations and its concealment of and failure to disclose material  
17 information. Plaintiffs who purchased or leased the Fraudulent Vehicles would not have  
18 purchased or leased them at all and/or—if the Fraudulent Vehicles’ true nature had been  
19 disclosed and mitigated, and the Fraudulent Vehicles rendered legal to sell—would have paid  
20 significantly less for them. Plaintiffs also suffered diminished value of their vehicles, as well as  
21 lost or diminished use.  
22

23           327. Defendants had an ongoing duty to all their customers to refrain from unfair and  
24 deceptive practices under the CLRA. All owners of Fraudulent Vehicles suffered ascertainable  
25 loss in the form of the diminished value of their vehicles as a result of Defendants’ deceptive  
26 and unfair acts and practices made in the course of Defendants’ business.  
27  
28

1           328. Defendants' violations present a continuing risk to Plaintiffs as well as to the  
2 general public. Defendants' unlawful acts and practices complained of herein affect the public  
3 interest.

4           329. As a direct and proximate result of Defendants' violations of the CLRA, Plaintiffs  
5 have suffered injury-in-fact and/or actual damage.

6           330. Under Cal. Civ. Code § 1780(a), Plaintiffs seek monetary relief against Defendants  
7 measured as the diminution of the value of their vehicles caused by Defendants' violations of the  
8 CLRA as alleged herein.

9           331. Under Cal. Civ. Code § 1780(b), Plaintiffs seek an additional award against  
10 Defendants of up to \$5,000 for each Plaintiff who qualifies as a "senior citizen" or "disabled  
11 person" under the CLRA. Defendants knew or should have known that their conduct was directed  
12 to one or more Plaintiffs who are senior citizens or disabled persons. Defendants' conduct caused  
13 one or more of these senior citizens or disabled persons to suffer a substantial loss of property set  
14 aside for retirement or for personal or family care and maintenance, or assets essential to the  
15 health or welfare of the senior citizen or disabled person. One or more Plaintiffs who are senior  
16 citizens or disabled persons are substantially more vulnerable to Defendants' conduct because of  
17 age, poor health or infirmity, impaired understanding, restricted mobility, or disability, and each  
18 of them suffered substantial physical, emotional, or economic damage resulting from Defendants'  
19 conduct.

20           332. Plaintiffs also seek punitive damages against Defendants because it carried out  
21 reprehensible conduct with willful and conscious disregard of the rights and safety of others,  
22 subjecting Plaintiffs to potential cruel and unjust hardship as a result.



1           333. Defendants intentionally and willfully deceived Plaintiffs on life-or-death matters,  
 2 and concealed material facts that only Defendants knew. Defendants' unlawful conduct  
 3 constitutes malice, oppression, and fraud warranting punitive damages under Cal. Civ. Code §  
 4 3294.

5           334. Plaintiffs further seek an order enjoining Defendants' unfair or deceptive acts or  
 6 practices, restitution, punitive damages, costs of court, attorneys' fees under Cal. Civ. Code §  
 7 1780(e), and any other just and proper relief available under the CLRA.  
 8

9                                   **CALIFORNIA COUNT 2**  
 10                           **VIOLATIONS OF THE CALIFORNIA UNFAIR COMPETITION LAW**  
 11                           **(Cal. Bus. & Prof. Code § 17200, et seq.)**  
 12                           **(On behalf of the California Plaintiffs)**

13           335. Plaintiffs incorporate by reference each preceding paragraph as though fully set  
 14 forth herein.

15           336. California Business and Professions Code § 17200 prohibits any "unlawful, unfair,  
 16 or fraudulent business act or practices." Defendants have engaged in unlawful, fraudulent, and  
 17 unfair business acts and practices in violation of the UCL.

18           337. Defendants' conduct, as described herein, was and is in violation of the UCL.

19           338. Defendants' conduct violates the UCL in at least the following ways:

20           a. by knowingly and intentionally concealing from Plaintiffs that the Fraudulent  
 21 Vehicles suffer from a design defect while obtaining money from Plaintiffs;  
 22

23           b. by marketing Fraudulent Vehicles as possessing functional and defect-free, EPA-  
 24 compliant "clean" diesel engine systems;  
 25

26           c. by purposefully installing an illegal "defeat device" in the Fraudulent Vehicles to  
 27 fraudulently obtain EPA certification and cause Fraudulent Vehicles to pass emissions tests when  
 28 in truth and fact they did not pass such tests;

- a. by violating federal laws, including the Clean Air Act; and
- b. by violating other California laws, including California laws governing vehicle emissions and emission testing requirements.

339. Defendants' misrepresentations and omissions alleged herein caused Plaintiffs to make their purchases or leases of their Fraudulent Vehicles.

340. Absent those misrepresentations and omissions, Plaintiffs would not have purchased or leased these vehicles, would not have purchased or leased these Fraudulent Vehicles at the prices they paid, and/or would have purchased or leased less expensive alternative vehicles that did not contain "clean" diesel engine systems that failed to comply with EPA and California emissions standards.

341. Accordingly, Plaintiffs have suffered injury in fact including lost money or property as a result of Defendants' misrepresentations and omissions.

342. Plaintiffs seek to enjoin further unlawful, unfair, and/or fraudulent acts or practices by Defendants under Cal. Bus. & Prof. Code § 17200.

343. Plaintiffs request that this Court enter such orders or judgments as may be necessary to enjoin Defendants from continuing their unfair, unlawful, and/or deceptive practices and to restore to Plaintiffs any money it acquired by unfair competition, including restitution and/or restitutionary disgorgement, as provided in Cal. Bus. & Prof. Code § 17203 and Cal. Bus. & Prof. Code § 3345; and for such other relief set forth below.

**CALIFORNIA COUNT 3**  
**VIOLATIONS OF CALIFORNIA FALSE ADVERTISING LAW**  
**(Cal. Bus. & Prof. Code §§ 17500, et seq.)**  
**(On behalf of the California Plaintiffs)**

344. Plaintiffs incorporate by reference each preceding paragraph as though fully set forth herein.

1           345. California Bus. & Prof. Code § 17500 states: “It is unlawful for any ... corporation  
2 ... with intent directly or indirectly to dispose of real or personal property ... to induce the public  
3 to enter into any obligation relating thereto, to make or disseminate or cause to be made or  
4 disseminated ... from this state before the public in any state, in any newspaper or other  
5 publication, or any advertising device, ... or in any other manner or means whatever, including  
6 over the Internet, any statement ... which is untrue or misleading, and which is known, or which  
7 by the exercise of reasonable care should be known, to be untrue or misleading.”  
8

9           346. Defendants caused to be made or disseminated through California and the United  
10 States, through advertising, marketing and other publications, statements that were untrue or  
11 misleading, and which were known, or which by the exercise of reasonable care should have been  
12 known to Defendants, to be untrue and misleading to consumers, including Plaintiffs  
13

14           347. Defendants have violated § 17500 because the misrepresentations and omissions  
15 regarding the safety, reliability, and functionality of Fraudulent Vehicles as set forth in this  
16 Complaint were material and likely to deceive a reasonable consumer.  
17

18           348. Plaintiffs have suffered an injury in fact, including the loss of money or property,  
19 as a result of Defendants’ unfair, unlawful, and/or deceptive practices. In purchasing or leasing  
20 their Fraudulent Vehicles, Plaintiffs relied on the misrepresentations and/or omissions of  
21 Defendants with respect to the safety, performance and reliability of the Fraudulent Vehicles.  
22 Defendants’ representations turned out not to be true because the Fraudulent Vehicles are  
23 distributed with faulty and defective “clean” diesel engine systems, rendering certain safety and  
24 emissions functions inoperative. Had Plaintiffs known this, they would not have purchased or  
25 leased their Fraudulent Vehicles and/or paid as much for them. Accordingly, Plaintiffs overpaid  
26 for their Fraudulent Vehicles and did not receive the benefit of their bargain.  
27  
28

1           349. All of the wrongful conduct alleged herein occurred, and continues to occur, in the  
 2 conduct of Defendants' business. Defendants' wrongful conduct is part of a pattern or generalized  
 3 course of conduct that is still perpetuated and repeated, both in the State of California and  
 4 nationwide.

5           350. Plaintiffs, request that this Court enter such orders or judgments as may be  
 6 necessary to enjoin Defendants from continuing their unfair, unlawful, and/or deceptive practices  
 7 and to restore to Plaintiffs any money Defendants acquired by unfair competition, including  
 8 restitution and/or restitutionary disgorgement, and for such other relief set forth below.  
 9

10                                   **CALIFORNIA COUNT 4**  
 11                           **BREACH OF IMPLIED WARRANTY OF MERCHANTABILITY**  
 12                           **(Cal. Com. Code §§ 2314 and 10212)**  
 13                           **(On behalf of the California Plaintiffs)**

14           351. Plaintiffs reallege and incorporate by reference all allegations of the preceding  
 15 paragraphs as though fully set forth herein.

16           352. Defendants are and were at all relevant times "merchants" with respect to motor  
 17 vehicles under Cal. Com. Code §§ 2104(1) and 10103(c), and "sellers" of motor vehicles under §  
 18 2103(1)(d).

19           353. With respect to leases, Defendants are and were at all relevant times "lessors" of  
 20 motor vehicles under Cal. Com. Code § 10103(a)(16).  
 21

22           354. The Fraudulent Vehicles are and were at all relevant times "goods" within the  
 23 meaning of Cal. Com. Code §§ 2105(1) and 10103(a)(8).  
 24

25           355. A warranty that the Fraudulent Vehicles were in merchantable condition and fit  
 26 for the ordinary purpose for which vehicles are used is implied by law pursuant to Cal. Com.  
 27 Code §§ 2314 and 10212.  
 28

1           356. These Fraudulent Vehicles, when sold or leased and at all times thereafter, were  
 2 not in merchantable condition and are not fit for the ordinary purpose for which vehicles are  
 3 used. Specifically, the Fraudulent Vehicles are inherently defective in that they do not comply  
 4 with federal and state emissions standards, rendering certain emissions functions inoperative; and  
 5 the “clean” diesel engine system was not adequately designed, manufactured, and tested.  
 6

7           357. Defendants were provided notice of these issues by the investigations of the EPA  
 8 and individual state regulators, numerous complaints filed against it including the instant  
 9 Complaint, and by numerous individual letters and communications sent by Plaintiffs and others  
 10 within a reasonable amount of time after the allegations of Fraudulent Vehicle defects became  
 11 public.  
 12

13           358. As a direct and proximate result of the Defendants’ breach of the implied  
 14 warranty of merchantability, Plaintiffs have been damaged in an amount to be proven at trial.  
 15

16                   **CALIFORNIA COUNT 5**  
 17                   **BREACH OF EXPRESS WARRANTY**  
                     **(Cal. Com. Code §§ 2313 and 10210)**  
                     **(On behalf of the California Plaintiffs)**

18           359. Plaintiffs reallege and incorporate by reference all preceding allegations as though  
 19 fully set forth herein.  
 20

21           360. Defendants are and were at all relevant times “merchants” with respect to motor  
 22 vehicles under Cal. Com. Code §§ 2104(1) and 10103(c), and “sellers” of motor vehicles under §  
 23 2103(1)(d).  
 24

25           361. With respect to leases, Defendants are and were at all relevant times “lessors” of  
 26 motor vehicles under Cal. Com. Code § 10103(a)(16).  
 27

28           362. The Fraudulent Vehicles are and were at all relevant times “goods” within the  
 meaning of Cal. Com. Code §§ 2105(1) and 10103(a)(8).

1           363. In connection with the purchase or lease of each one of its new vehicles,  
2 Defendants provide an express New Vehicle Limited Warranty (“NVLW”). This NVLW exists  
3 to cover “any repair to correct a manufacturers defect in materials or workmanship.”

4           364. The Clean Air Act requires manufacturers of light-duty vehicles to provide two  
5 federal emission control warranties: a “Performance Warranty” and a “Design and Defect  
6 Warranty.”

7  
8           365. The EPA requires vehicle manufacturers to provide a Performance Warranty with  
9 respect to the vehicles’ emission systems. Thus, FCA also provides an express warranty for its  
10 vehicles through a Federal Emissions Performance Warranty. The Performance Warranty  
11 required by the EPA applies to repairs that are required during the first two years or 24,000  
12 miles, whichever occurs first, when a vehicle fails an emissions test. Under this warranty, certain  
13 major emission control components are covered for the first eight years or 80,000 miles,  
14 whichever comes first. These major emission control components subject to the longer warranty  
15 include the catalytic converters, the electronic emission control unit, and the onboard emission  
16 diagnostic device or computer.  
17

18  
19           366. The EPA requires vehicle manufacturers to issue Design and Defect Warranties  
20 with respect to their vehicles’ emission systems. Thus, Defendants also provide an express  
21 warranty for their vehicles through a Federal Emission Control System Defect Warranty. The  
22 Design and Defect Warranty required by the EPA covers repair of emission control or emission  
23 related parts which fail to function or function improperly because of a defect in materials or  
24 workmanship. This warranty provides protection for two years or 24,000 miles, whichever  
25 comes first, or, for the major emission control components, for eight years or 80,000 miles,  
26 whichever comes first.  
27  
28

1           367. As manufacturers of light-duty vehicles, Defendants were required to provide these  
2 warranties to purchasers or lessees of their “clean” diesel vehicles.

3           368. Defendants’ warranties formed a basis of the bargain that was reached when  
4 Plaintiffs and purchased or leased their Fraudulent Vehicles equipped with the non-compliant  
5 “clean” diesel engine and emission systems.

6           369. Plaintiffs experienced defects within the warranty period. Despite the existence of  
7 warranties, Defendants failed to inform Plaintiffs that the Fraudulent Vehicles were intentionally  
8 designed and manufactured to be out of compliance with applicable state and federal emissions  
9 laws, and failed to fix the defective emission components free of charge.

10           370. Defendants breached the express warranty promising to repair and correct a  
11 manufacturing defect or materials or workmanship of any parts they supplied. Defendants have  
12 not repaired or adjusted, and have been unable to repair or adjust, the Fraudulent Vehicles’  
13 materials and workmanship defects.

14           371. Furthermore, the limited warranty promising to repair and/or correct a  
15 manufacturing defect fails in its essential purpose because the contractual remedy is insufficient  
16 to make Plaintiffs whole and because Defendants have failed and/or have refused to adequately  
17 provide the promised remedies within a reasonable time.

18           372. Accordingly, recovery by Plaintiffs is not restricted to the limited warranty  
19 promising to repair and/or correct a manufacturing defect, and Plaintiffs seek all remedies as  
20 allowed by law.

21           373. Also, as alleged in more detail herein, at the time Defendants warranted and sold  
22 or leased the Fraudulent Vehicles, they knew that the Fraudulent Vehicles were inherently  
23 defective and did not conform to their warranties; further, Defendants had wrongfully and  
24

1 fraudulently concealed material facts regarding the Fraudulent Vehicles. Plaintiffs were  
2 therefore induced to purchase or lease the Fraudulent Vehicles under false and/or fraudulent  
3 pretenses.

4 374. Moreover, many of the injuries flowing from the Fraudulent Vehicles cannot be  
5 resolved through the limited remedy of “replacements or adjustments,” as many incidental and  
6 consequential damages have already been suffered because of Defendants’ fraudulent conduct  
7 as alleged herein, and because of their failure and/or continued failure to provide such limited  
8 remedy within a reasonable time, and any limitation on Plaintiffs’ remedies would be  
9 insufficient to make Plaintiffs.  
10

11 375. Finally, because of Defendants’ breach of warranty as set forth herein, Plaintiffs  
12 assert, as additional and/or alternative remedies, the revocation of acceptance of the goods and  
13 the return to Plaintiffs of the purchase or lease price of all Fraudulent Vehicles currently owned  
14 or leased, and for such other incidental and consequential damages as allowed.  
15

16 376. Defendants were provided notice of these issues by numerous complaints filed  
17 against them, including the instant Complaint, within a reasonable amount of time after Fiat  
18 Chrysler was accused by the EPA and CARB of using a defeat device in the Fraudulent  
19 Vehicles to evade clean air standards.  
20

21 377. As a direct and proximate result of Defendants’ breach of express warranties,  
22 Plaintiffs have been damaged in an amount to be determined at trial.  
23  
24  
25  
26  
27  
28



**CALIFORNIA COUNT 6**  
**VIOLATIONS OF SONG-BEVERLY CONSUMER WARRANTY ACT FOR**  
**BREACH OF EXPRESS WARRANTIES**  
**(Cal. Civ. Code §§ 1791.2 & 1793.2(d))**  
**(On behalf of the California Plaintiffs)**

378. Plaintiffs reallege and incorporate by reference all preceding allegations as though fully set forth herein.

379. Plaintiffs who purchased or leased the Fraudulent Vehicles in California are “buyers” within the meaning of Cal. Civ. Code § 1791(b).

380. The Fraudulent Vehicles are “consumer goods” within the meaning of Cal. Civ. Code § 1791(a).

381. Defendants are “manufacturer[s]” of the Fraudulent Vehicles within the meaning of Cal. Civ. Code § 1791(j).

382. Plaintiffs bought/leased new motor vehicles manufactured by Defendants. Defendants made express warranties to Plaintiffs within the meaning of Cal. Civ. Code §§ 1791.2 and 1793.2, as described above.

383. In connection with the purchase or lease of each one of its new vehicles, Defendants provide an express New Vehicle Limited Warranty (“NVLW”). This NVLW exists to cover “any repair to correct a manufacturers defect in materials or workmanship.”

384. The Clean Air Act requires manufacturers of light-duty vehicles to provide two federal emission control warranties: a “Performance Warranty” and a “Design and Defect Warranty.”

385. The EPA requires vehicle manufacturers to provide a Performance Warranty with respect to the vehicles’ emission systems. Thus, FCA also provides an express warranty for its vehicles through a Federal Emissions Performance Warranty. The Performance Warranty

1 required by the EPA applies to repairs that are required during the first two years or 24,000  
2 miles, whichever occurs first, when a vehicle fails an emissions test. Under this warranty, certain  
3 major emission control components are covered for the first eight years or 80,000 miles,  
4 whichever comes first. These major emission control components subject to the longer warranty  
5 include the catalytic converters, the electronic emission control unit, and the onboard emission  
6 diagnostic device or computer.  
7

8         386. The EPA requires vehicle manufacturers to issue Design and Defect Warranties  
9 with respect to their vehicles' emission systems. Thus, Defendants also provide an express  
10 warranty for their vehicles through a Federal Emission Control System Defect Warranty. The  
11 Design and Defect Warranty required by the EPA covers repair of emission control or emission  
12 related parts which fail to function or function improperly because of a defect in materials or  
13 workmanship. This warranty provides protection for two years or 24,000 miles, whichever  
14 comes first, or, for the major emission control components, for eight years or 80,000 miles,  
15 whichever comes first.  
16

17  
18         387. As manufacturers of light-duty vehicles, Defendants were required to provide these  
19 warranties to purchasers or lessees of their "clean" diesel vehicles.

20         388. Defendants' warranties formed a basis of the bargain that was reached when  
21 Plaintiffs and purchased or leased their Fraudulent Vehicles equipped with the non-compliant  
22 "clean" diesel engine and emission systems.  
23

24         389. Plaintiffs experienced defects within the warranty period. Despite the existence of  
25 warranties, Defendants failed to inform Plaintiffs that the Fraudulent Vehicles were intentionally  
26 designed and manufactured to be out of compliance with applicable state and federal emissions  
27 laws, and failed to fix the defective emission components free of charge.  
28

1           390. Plaintiffs gave Defendants or their authorized repair facilities opportunities to fix  
2 the defects unless only one repair attempt was possible because the vehicle was later destroyed or  
3 because Defendants or their authorized repair facility refused to attempt the repair. Defendants did  
4 not promptly replace or buy back the Fraudulent Vehicles of Plaintiffs.

5           391. As a result of Defendants' breach of its express warranties, Plaintiffs received  
6 goods whose dangerous condition substantially impairs their value to Plaintiffs. Plaintiffs have  
7 been damaged as a result of the diminished value of the Defendants' products, the products'  
8 malfunctioning, and the nonuse of their Fraudulent Vehicles.

9           392. Pursuant to Cal. Civ. Code §§ 1793.2 & 1794, Plaintiffs are entitled to damages  
10 and other legal and equitable relief including, at their election, the purchase price of their  
11 Fraudulent Vehicles, or the overpayment or diminution in value of their Fraudulent Vehicles.  
12

13           393. Pursuant to Cal. Civ. Code § 1794, Plaintiffs are entitled to costs and attorneys'  
14 fees.  
15

16                                   **CALIFORNIA COUNT 7**  
17                   **VIOLATIONS OF SONG-BEVERLY CONSUMER WARRANTY ACT FOR**  
18                   **BREACH OF IMPLIED WARRANTY OF MERCHANTABILITY**  
19                   **(Cal. Civ. Code §§ 1791.1 and 1792)**  
20                   **(On behalf of the California Plaintiffs)**

21           394. Plaintiffs reallege and incorporate by reference all allegations of the preceding  
22 paragraphs as though fully set forth herein.

23           395. Plaintiffs and who purchased or leased the Fraudulent Vehicles in California are  
24 "buyers" within the meaning of Cal. Civ. Code § 1791(b).

25           396. The Fraudulent Vehicles are "consumer goods" within the meaning of Cal. Civ.  
26 Code 12 § 1791(a).  
27  
28

1           397. Defendants are “manufacturer[s]” of the Fraudulent Vehicles within the meaning  
2 of Cal. Civ. Code § 1791(j).

3           398. Defendants impliedly warranted to Plaintiffs that its Fraudulent Vehicles were  
4 “merchantable” within the meaning of Cal. Civ. Code §§ 1791.1(a) & 1792, however, the  
5 Fraudulent Vehicles do not have the quality that a buyer would reasonably expect.  
6

7           399. Cal. Civ. Code § 1791.1(a) states:

8           “Implied warranty of merchantability” or “implied warranty that goods are merchantable”  
9 means that the consumer goods meet each of the following:

- 10           (1) Pass without objection in the trade under the contract description.  
11           (2) Are fit for the ordinary purposes for which such goods are used.  
12           (3) Are adequately contained, packaged, and labeled.  
13           (4) Conform to the promises or affirmations of fact made on the container or label.  
14

15           400. The Fraudulent Vehicles would not pass without objection in the automotive trade  
16 because of the defects in the Fraudulent Vehicles’ “clean” diesel engine system. Specifically, the  
17 Fraudulent Vehicles do not comply with federal and state emissions standards, rendering certain  
18 safety and emissions functions inoperative. In addition, the “clean” diesel engine system was not  
19 adequately designed, manufactures, and tested.  
20

21           401. Because of the defects in the Fraudulent Vehicles’ “clean” diesel engine system,  
22 they are not in merchantable condition and thus not fit for ordinary purposes.  
23

24           402. The Fraudulent Vehicles are not adequately labeled because the labeling fails to  
25 disclose the defects in the Fraudulent Vehicles’ “clean” diesel engine system.

26           403. Defendants breached the implied warranty of merchantability by manufacturing  
27 and selling Fraudulent Vehicles containing defects associated with the “clean” diesel engine  
28

1 system. Furthermore, these defects have caused Plaintiffs to not receive the benefit of their  
2 bargain and have caused Fraudulent Vehicles to depreciate in value.

3 404. As a direct and proximate result of Defendants' breach of the implied warranty of  
4 merchantability, Plaintiffs received goods whose defective condition substantially impairs their  
5 value to Plaintiffs. Plaintiffs have been damaged as a result of the diminished value of  
6 Defendants' products, the products' malfunctioning, and the nonuse of their Fraudulent Vehicles.  
7

8 405. Pursuant to Cal. Civ. Code §§ 1791.1(d) & 1794, Plaintiffs are entitled to  
9 damages and other legal and equitable relief including, at their election, the purchase price of  
10 their Fraudulent Vehicles, or the overpayment or diminution in value of their Fraudulent  
11 Vehicles.  
12

13 406. Pursuant to Cal. Civ. Code § 1794, Plaintiffs are entitled to costs and attorneys'  
14 fees.  
15

16 **CALIFORNIA COUNT 8**  
17 **BREACH OF EXPRESS CALIFORNIA EMISSIONS WARRANTIES**  
18 **(Cal. Civ. Code §§ 1793.2, et seq.)**  
19 **(On behalf of the California Plaintiffs)**

20 407. Plaintiffs reallege and incorporate by reference all allegations of the preceding  
21 paragraphs as though fully set forth herein.

22 408. Each Fraudulent Vehicle is covered by express California Emissions Warranties  
23 as a matter of law. See Cal. Health & Safety Code § 43205; Cal. Code Regs. tit. 13, § 2037.

24 409. The express California Emissions Warranties generally provide "that the vehicle  
25 or engine is...[d]esigned, built, and equipped so as to conform with all applicable regulations  
26 adopted by the Air Resources Board." Id. This provision applies without any time or mileage  
27 limitation. See id.  
28

1           410. The California Emissions Warranties also specifically warrant Plaintiffs against  
2 any performance failure of the emissions control system for three years or 50,000 miles,  
3 whichever occurs first, and against any defect in any emission-related part for seven years or  
4 70,000 miles, whichever occurs first. See *id.*

5           411. California law imposes express duties “on the manufacturer of consumer goods  
6 sold in this state and for which the manufacturer has made an express warranty.” Cal. Civ. Code  
7 § 1793.2.  
8

9           412. Among those duties, “[i]f the manufacturer or its representative in this state is  
10 unable to service or repair a new motor vehicle...to conform to the applicable express warranties  
11 after a reasonable number of attempts, the manufacturer shall either promptly replace the new  
12 motor vehicle or promptly make restitution to the buyer” at the vehicle owner’s option. See Cal.  
13 Civ. Code § 1793.2(d)(2).  
14

15           413. Plaintiffs are excused from the requirement to “deliver nonconforming goods to  
16 the manufacturer’s service and repair facility within this state” because Defendants is refusing to  
17 accept them and delivery of the California Vehicles “cannot reasonably be accomplished.” Cal.  
18 Civ. Code § 1793.2(c).  
19

20           414. This complaint is written notice of nonconformity to Defendants and “shall”  
21 constitute return of the goods.” *Id.*  
22

23           415. Plaintiffs are excused from any requirement that they allow a “reasonable number  
24 of attempts” to bring California Vehicles into conformity with their California Emissions  
25 Warranties based on futility because Defendants admit they has no ability to do so at this time.  
26 See *In re MyFord Touch Consumer Litig.*, 46 F. Supp. 3d 936, 970-71 (N.D. Cal. 2014)  
27  
28



1           422. A reasonable manufacturer in same or similar circumstances would have timely  
2 and properly recalled the Fraudulent Vehicles.

3           423. Plaintiffs were harmed by Defendants' failure to recall the Fraudulent Vehicles  
4 properly and in a timely manner and, as a result, have suffered damages, including their out-of-  
5 pocket costs, losses, and inconvenience expended in complying with the false recall, and caused  
6 by Defendants' ongoing failure to properly recall, retrofit, and fully repair the Fraudulent  
7 Vehicles.  
8

9           424. Defendants' failure to timely recall the Fraudulent Vehicles was a substantial  
10 factor in causing the harm to Plaintiffs as alleged herein.  
11

12                           **COLORADO COUNTS**

13                           **COLORADO COUNT 1**  
14                           **VIOLATIONS OF THE COLORADO CONSUMER PROTECTION ACT**  
15                           **(Col. Rev. Stat. § 6-1-101, et seq.)**  
16                           **(On behalf of the Colorado Plaintiffs)**

17           425. Plaintiffs incorporate by reference each preceding paragraph as though fully set  
18 forth herein.

19           426. Defendants are "person[s]" under § 6-1-102(6) of the Colorado Consumer  
20 Protection Act ("Colorado CPA"), Col. Rev. Stat. § 6-1-101, et seq.

21           427. Plaintiffs are "consumers" for purposes of Col. Rev. Stat § 6-1-113(1)(a) who  
22 purchased or leased one or more Fraudulent Vehicles.

23           428. The Colorado CPA prohibits deceptive trade practices in the course of a person's  
24 business. Defendants engaged in deceptive trade practices prohibited by the Colorado CPA,  
25 including: (1) knowingly making a false representation as to the characteristics, uses, and  
26 benefits of the Fraudulent Vehicles that had the capacity or tendency to deceive Plaintiffs; (2)  
27 representing that the Fraudulent Vehicles are of a particular standard, quality, and grade even  
28



1 though Defendants knew or should have known they are not; (3) advertising the Fraudulent  
2 Vehicles with the intent not to sell them as advertised; and (4) failing to disclose material  
3 information concerning the Fraudulent Vehicles that was known to Defendants at the time of  
4 advertisement or sale with the intent to induce Plaintiffs to purchase, lease or retain the  
5 Fraudulent Vehicles

6  
7 429. In the course of their business, Defendants concealed and suppressed material  
8 facts concerning the Fraudulent Vehicles. The Defendants installed software in their vehicles that  
9 enabled emissions controls for nitrogen oxide—a pollutant that contributes to health problems  
10 and global warming—to pass EPA emissions testing while at the same time disabling the same  
11 controls during real- world driving. Specifically, the software was designed to cheat emission  
12 testing by showing lower emissions during laboratory testing conditions then actually existed  
13 when the vehicle operated on the road. This deceptive practice enabled Defendants' vehicles to  
14 pass emission certification tests through deliberately induced lower-than-real-world emissions  
15 readings.  
16

17  
18 430. Plaintiffs had no way of discerning that Defendants' representations were false  
19 and misleading because Defendants' defeat device software was extremely sophisticated  
20 technology. Plaintiffs did not and could not unravel Defendants' deception on their own.

21  
22 431. Defendants thus violated the Act by, at minimum: knowingly representing that  
23 Fraudulent Vehicles have uses and benefits which they do not have; representing that Fraudulent  
24 Vehicles are of a particular standard, quality, and grade when they are not; advertising Fraudulent  
25 Vehicles with the intent not to sell or lease them as advertised; and representing that the subject of  
26 a transaction involving Fraudulent Vehicles has been supplied in accordance with a previous  
27 representation when it was not; and knowingly making other false representations in a transaction.  
28

1           432. Defendants engaged in misleading, false, unfair or deceptive acts or practices that  
2 violated the Colorado CPA by installing, failing to disclose and actively concealing the illegal  
3 defeat device and the true cleanliness and performance of the “clean” diesel engine system, by  
4 marketing its vehicles as legal, reliable, environmentally clean, efficient, and of high quality, and  
5 by presenting itself as a reputable manufacturer that valued environmental cleanliness and  
6 efficiency, and that stood behind its vehicles after they were sold.  
7

8           433. The Clean Air Act and EPA regulations require that automobiles limit their  
9 emissions output to specified levels. These laws are intended for the protection of public health  
10 and welfare. “Defeat devices” like those in the Fraudulent Vehicles are defined and prohibited  
11 by the Clean Air Act and its regulations. *See* 42 U.S.C. § 7522(a)(3)(B); 40 CFR § 86.1809. By  
12 installing illegal “defeat devices” in the Fraudulent Vehicles and by making those vehicles  
13 available for purchase, Defendants violated federal law and therefore engaged in conduct that  
14 violates the Colorado CPA.  
15

16           434. Defendants knew the true nature of its “clean” diesel engine system, but concealed  
17 all of that information until recently. Defendants were also aware that it valued profits over  
18 environmental cleanliness, efficiency, and compliance with the law, and that it was  
19 manufacturing, selling, and distributing vehicles throughout the United States that did not  
20 comply with EPA regulations. Defendants concealed this information as well.  
21

22           435. Defendants intentionally and knowingly misrepresented material facts regarding  
23 the Fraudulent Vehicles with intent to mislead Plaintiffs.  
24

25           436. Defendants knew or should have known that their conduct violated the Colorado  
26 CPA.  
27

28           437. Defendants owed Plaintiffs a duty to disclose the illegality and public health and

1 safety risks of the Fraudulent Vehicles because they:

2 A. possessed exclusive knowledge that they were manufacturing, selling,  
3 and distributing vehicles throughout the United States that did not comply with EPA  
4 regulations;

5 B. intentionally concealed the foregoing from regulators and Plaintiffs;  
6 and/or  
7

8 C. made incomplete representations about the environmental cleanliness  
9 and efficiency of the Fraudulent Vehicles generally, and the use of the defeat device  
10 in particular, while purposefully withholding material facts from Plaintiffs that  
11 contradicted these representations.  
12

13 438. Defendants concealed the illegal defeat device and the true emissions, efficiency,  
14 and performance of the “clean” diesel system, resulting in a raft of negative publicity once the  
15 defects finally began to be disclosed. The value of the Fraudulent Vehicles has therefore greatly  
16 diminished. In light of the stigma attached to those vehicles by Defendants’ conduct, they are  
17 now worth significantly less than they otherwise would be worth.  
18

19 439. Defendants’ fraudulent use of the “defeat device” and its concealment of  
20 the true characteristics of the “clean” diesel engine system were material to Plaintiffs.  
21

22 440. Defendants’ unfair or deceptive acts or practices were likely to and did in fact  
23 deceive regulators and reasonable consumers, including Plaintiffs, about the true environmental  
24 cleanliness and efficiency of Jeep- and Ram-branded vehicles, the quality of the Jeep and Ram  
25 brands, the devaluing of environmental cleanliness and integrity at Fiat Chrysler, and the true  
26 value of the Fraudulent Vehicles.  
27

28 441. Plaintiffs suffered ascertainable loss and actual damages as a direct and proximate

1 result of Defendants' misrepresentations and its concealment of and failure to disclose material  
2 information. Plaintiffs who purchased or leased the Fraudulent Vehicles would not have  
3 purchased or leased them at all and/or—if the Fraudulent Vehicles' true nature had been  
4 disclosed and mitigated, and the Fraudulent Vehicles rendered legal to sell—would have paid  
5 significantly less for them. Plaintiffs also suffered diminished value of their vehicles, as well as  
6 lost or diminished use.

8 442. Defendants had an ongoing duty to all their customers to refrain from unfair and  
9 deceptive practices under the Colorado CPA. All owners of Fraudulent Vehicles suffered  
10 ascertainable loss in the form of the diminished value of their vehicles as a result of Defendants'  
11 deceptive and unfair acts and practices made in the course of Defendants' business.

13 443. Defendants' violations present a continuing risk to Plaintiffs as well as to the  
14 general public. Defendants' unlawful acts and practices complained of herein affect the public  
15 interest.

17 444. As a direct and proximate result of Defendants' violations of the Colorado CPA,  
18 Plaintiffs have suffered injury-in-fact and/or actual damage.

20 445. Pursuant to Colo. Rev. Stat. § 6-1-113, Plaintiffs seek monetary relief against  
21 Defendants measured as the greater of (a) actual damages in an amount to be determined at trial  
22 and discretionary trebling of such damages, or (b) statutory damages in the amount of \$500 for  
23 each Plaintiff.

25 446. Plaintiffs also seek an order enjoining Defendants' unfair, unlawful, and/or  
26 deceptive practices, declaratory relief, attorneys' fees, and any other just and proper relief  
27 available under the Colorado CPA.  
28

**COLORADO COUNT 2**  
**BREACH OF THE IMPLIED WARRANTY OF MERCHANTABILITY**  
**(Col. Rev. Stat. §§ 4-2-313 and 4-2.5-212)**  
**(On behalf of the Colorado Plaintiffs)**

447. Plaintiffs reallege and incorporate by reference all allegations of the preceding paragraphs as though fully set forth herein.

448. Defendants are and were at all relevant times “merchants” with respect to motor vehicles under Colo. Rev. Stat. §§ 4-2-104(1) and 4-2.5-103(3), and “sellers” of motor vehicles under § 4-2-103(1)(d)

449. With respect to leases, Defendants are and were at all relevant times “lessors” of motor vehicles under Colo. Rev. Stat. § 4-2.5-103(1)(p).

450. The Fraudulent Vehicles are and were at all relevant times “goods” within the meaning of Colo. Rev. Stat. §§ 4-2-105(1) and 4-2.5-103(1)(h).

451. A warranty that the Fraudulent Vehicles were in merchantable condition and fit for the ordinary purpose for which vehicles are used is implied by law pursuant to Colo. Rev. Stat. § § 4- 3 2-313 and 4-2.5-212).

452. These Fraudulent Vehicles, when sold or leased and at all times thereafter, were not in merchantable condition and are not fit for the ordinary purpose for which vehicles are used. Specifically, the Fraudulent Vehicles are inherently defective in that they do not comply with federal and state emissions standards, rendering certain emissions functions inoperative; and the “clean” diesel engine system was not adequately designed, manufactured, and tested.

453. Defendants were provided notice of these issues by the investigations of the EPA and individual state regulators, numerous complaints filed against it including the instant Complaint, and by numerous individual letters and communications sent by Plaintiffs and others

1 within a reasonable amount of time after the allegations of Fraudulent Vehicle defects became  
2 public.

3 454. As a direct and proximate result of the Defendants' breach of the implied  
4 warranty of merchantability, Plaintiffs have been damaged in an amount to be proven at trial.

5  
6 **COLORADO COUNT 3**  
7 **BREACH OF EXPRESS WARRANTY**  
8 **(Colo. Rev. Stat. §§ 4-2-313 and 4-2.5-210)**  
9 **(On behalf the Colorado Plaintiffs)**

10 455. Plaintiffs reallege and incorporate by reference all preceding allegations as though  
11 fully set forth herein.

12 456. Defendants are and were at all relevant times "merchants" with respect to motor  
13 vehicles under Colo. Rev. Stat. §§ 4-2-104(1) and 4-2.5-103(3), and "sellers" of motor vehicles  
14 under § 4-2-103(1)(d).

15 457. With respect to leases, Defendants are and were at all relevant times "lessors" of  
16 motor vehicles under Colo. Rev. Stat. § 4-2.5-103(1)(p).

17 458. The Fraudulent Vehicles are and were at all relevant times "goods" within the  
18 meaning of Colo. Rev. Stat. §§ 4-2-105(1) and 4-2.5-103(1)(h).

19 459. In connection with the purchase or lease of each one of its new vehicles,  
20 Defendants provide an express New Vehicle Limited Warranty ("NVLW"). This NVLW exists  
21 to cover "any repair to correct a manufacturers defect in materials or workmanship."  
22

23 460. The Clean Air Act requires manufacturers of light-duty vehicles to provide two  
24 federal emission control warranties: a "Performance Warranty" and a "Design and Defect  
25 Warranty."  
26

27 461. The EPA requires vehicle manufacturers to provide a Performance Warranty with  
28 respect to the vehicles' emission systems. Thus, FCA also provides an express warranty for its

1 vehicles through a Federal Emissions Performance Warranty. The Performance Warranty  
2 required by the EPA applies to repairs that are required during the first two years or 24,000  
3 miles, whichever occurs first, when a vehicle fails an emissions test. Under this warranty, certain  
4 major emission control components are covered for the first eight years or 80,000 miles,  
5 whichever comes first. These major emission control components subject to the longer warranty  
6 include the catalytic converters, the electronic emission control unit, and the onboard emission  
7 diagnostic device or computer.  
8

9       462. The EPA requires vehicle manufacturers to issue Design and Defect Warranties  
10 with respect to their vehicles' emission systems. Thus, Defendants also provide an express  
11 warranty for their vehicles through a Federal Emission Control System Defect Warranty. The  
12 Design and Defect Warranty required by the EPA covers repair of emission control or emission  
13 related parts which fail to function or function improperly because of a defect in materials or  
14 workmanship. This warranty provides protection for two years or 24,000 miles, whichever  
15 comes first, or, for the major emission control components, for eight years or 80,000 miles,  
16 whichever comes first.  
17  
18

19       463. As manufacturers of light-duty vehicles, Defendants were required to provide these  
20 warranties to purchasers or lessees of their "clean" diesel vehicles.  
21

22       464. Defendants' warranties formed a basis of the bargain that was reached when  
23 Plaintiffs and purchased or leased their Fraudulent Vehicles equipped with the non-compliant  
24 "clean" diesel engine and emission systems.  
25

26       465. Plaintiffs experienced defects within the warranty period. Despite the existence of  
27 warranties, Defendants failed to inform Plaintiffs that the Fraudulent Vehicles were intentionally  
28

1 designed and manufactured to be out of compliance with applicable state and federal emissions  
2 laws, and failed to fix the defective emission components free of charge.

3 466. Defendants breached the express warranty promising to repair and correct a  
4 manufacturing defect or materials or workmanship of any parts they supplied. Defendants have  
5 not repaired or adjusted, and have been unable to repair or adjust, the Fraudulent Vehicles'  
6 materials and workmanship defects.

8 467. Furthermore, the limited warranty promising to repair and/or correct a  
9 manufacturing defect fails in its essential purpose because the contractual remedy is insufficient  
10 to make Plaintiffs whole and because Defendants have failed and/or have refused to adequately  
11 provide the promised remedies within a reasonable time.

13 468. Accordingly, recovery by Plaintiffs is not restricted to the limited warranty  
14 promising to repair and/or correct a manufacturing defect, and Plaintiffs seek all remedies as  
15 allowed by law.

16 469. Also, as alleged in more detail herein, at the time Defendants warranted and sold  
17 or leased the Fraudulent Vehicles, they knew that the Fraudulent Vehicles were inherently  
18 defective and did not conform to their warranties; further, Defendants had wrongfully and  
19 fraudulently concealed material facts regarding the Fraudulent Vehicles. Plaintiffs were  
20 therefore induced to purchase or lease the Fraudulent Vehicles under false and/or fraudulent  
21 pretenses.

24 470. Moreover, many of the injuries flowing from the Fraudulent Vehicles cannot be  
25 resolved through the limited remedy of "replacements or adjustments," as many incidental and  
26 consequential damages have already been suffered because of Defendants' fraudulent conduct  
27 as alleged herein, and because of their failure and/or continued failure to provide such limited  
28



1 remedy within a reasonable time, and any limitation on Plaintiffs' remedies would be  
 2 insufficient to make Plaintiffs.

3 471. Finally, because of Defendants' breach of warranty as set forth herein, Plaintiffs  
 4 assert, as additional and/or alternative remedies, the revocation of acceptance of the goods and  
 5 the return to Plaintiffs of the purchase or lease price of all Fraudulent Vehicles currently owned  
 6 or leased, and for such other incidental and consequential damages as allowed.

7  
 8 472. Defendants were provided notice of these issues by numerous complaints filed  
 9 against them, including the instant Complaint, within a reasonable amount of time after Fiat  
 10 Chrysler was accused by the EPA and CARB of using a defeat device in the Fraudulent  
 11 Vehicles to evade clean air standards.

12  
 13 473. As a direct and proximate result of Defendants' breach of express warranties,  
 14 Plaintiffs have been damaged in an amount to be determined at trial.

## 15 **FLORIDA COUNTS**

### 16 **FLORIDA COUNT 1** 17 **VIOLATIONS OF FLORIDA'S UNFAIR &** 18 **DECEPTIVE TRADE PRACTICES ACT** 19 **(Fla. Stat. § 501.201, et seq.)**

20 474. Plaintiffs incorporate by reference each preceding paragraph as though fully set  
 21 forth herein.

22 475. Plaintiffs are "consumers" within the meaning of the Florida Unfair and Deceptive  
 23 Trade Practices Act ("FUDTPA"), Fla. Stat. § 501.203(7).

24 476. Defendants are engaged in "trade or commerce" within the meaning of Fla. Stat. §  
 25 501.203(8).

26 477. FUDTPA prohibits "[u]nfair methods of competition, unconscionable acts or  
 27 practices, and unfair or deceptive acts or practices in the conduct of any trade or commerce ..."  
 28

1 Fla. Stat. § 501.204(1). Defendants participated in unfair and deceptive trade practices that violated  
2 the FUDTPA as described herein.

3 478. In the course of their business, Defendants concealed and suppressed material facts  
4 concerning the Fraudulent Vehicles. The Defendants installed software in their vehicles that  
5 enabled emissions controls for nitrogen oxide—a pollutant that contributes to health problems and  
6 global warming—to pass EPA emissions testing while at the same time disabling the same controls  
7 during real- world driving. Specifically, the software was designed to cheat emission testing by  
8 showing lower emissions during laboratory testing conditions than actually existed when the  
9 vehicle operated on the road. This deceptive practice enabled Defendants’ vehicles to pass  
10 emission certification tests through deliberately induced lower-than-real-world emissions  
11 readings.  
12

13  
14 479. Plaintiffs had no way of discerning that Defendants’ representations were false  
15 and misleading because Defendants’ defeat device software was extremely sophisticated  
16 technology. Plaintiffs did not and could not unravel Defendants’ deception on their own.  
17

18 480. Defendants thus violated the Act by, at minimum: knowingly representing that  
19 Fraudulent Vehicles have uses and benefits which they do not have; representing that Fraudulent  
20 Vehicles are of a particular standard, quality, and grade when they are not; advertising Fraudulent  
21 Vehicles with the intent not to sell or lease them as advertised; and representing that the subject of  
22 a transaction involving Fraudulent Vehicles has been supplied in accordance with a previous  
23 representation when it was not; and knowingly making other false representations in a transaction.  
24

25 481. Defendants engaged in misleading, false, unfair or deceptive acts or practices that  
26 violated the FUDTPA by installing, failing to disclose and actively concealing the illegal defeat  
27 device and the true cleanliness and performance of the “clean” diesel engine system, by  
28

1 marketing its vehicles as legal, reliable, environmentally clean, efficient, and of high quality, and  
2 by presenting itself as a reputable manufacturer that valued environmental cleanliness and  
3 efficiency, and that stood behind its vehicles after they were sold.

4 482. The Clean Air Act and EPA regulations require that automobiles limit their  
5 emissions output to specified levels. These laws are intended for the protection of public health  
6 and welfare. “Defeat devices” like those in the Fraudulent Vehicles are defined and prohibited  
7 by the Clean Air Act and its regulations. *See* 42 U.S.C. § 7522(a)(3)(B); 40 CFR § 86.1809. By  
8 installing illegal “defeat devices” in the Fraudulent Vehicles and by making those vehicles  
9 available for purchase, Defendants violated federal law and therefore engaged in conduct that  
10 violates the FUDTPA.  
11

12 483. Defendants knew the true nature of its “clean” diesel engine system, but concealed  
13 all of that information until recently. Defendants were also aware that it valued profits over  
14 environmental cleanliness, efficiency, and compliance with the law, and that it was  
15 manufacturing, selling, and distributing vehicles throughout the United States that did not  
16 comply with EPA regulations. Defendants concealed this information as well.  
17

18 484. Defendants intentionally and knowingly misrepresented material facts regarding  
19 the Fraudulent Vehicles with intent to mislead Plaintiffs.  
20

21 485. Defendants knew or should have known that their conduct violated the FUDTPA.  
22

23 486. Defendants owed Plaintiffs a duty to disclose the illegality and public health and  
24 safety risks of the Fraudulent Vehicles because they:

25 A. possessed exclusive knowledge that they were manufacturing, selling,  
26 and distributing vehicles throughout the United States that did not comply with EPA  
27 regulations;  
28

1 B. intentionally concealed the foregoing from regulators and Plaintiffs;  
2 and/or

3 C. made incomplete representations about the environmental cleanliness  
4 and efficiency of the Fraudulent Vehicles generally, and the use of the defeat device  
5 in particular, while purposefully withholding material facts from Plaintiffs that  
6 contradicted these representations.  
7

8 487. Defendants concealed the illegal defeat device and the true emissions, efficiency,  
9 and performance of the “clean” diesel system, resulting in a raft of negative publicity once the  
10 defects finally began to be disclosed. The value of the Fraudulent Vehicles has therefore greatly  
11 diminished. In light of the stigma attached to those vehicles by Defendants’ conduct, they are  
12 now worth significantly less than they otherwise would be worth.  
13

14 488. Defendants’ fraudulent use of the “defeat device” and its concealment of  
15 the true characteristics of the “clean” diesel engine system were material to Plaintiffs.  
16

17 489. Defendants’ unfair or deceptive acts or practices were likely to and did in fact  
18 deceive regulators and reasonable consumers, including Plaintiffs, about the true environmental  
19 cleanliness and efficiency of Jeep- and Ram-branded vehicles, the quality of the Jeep and Ram  
20 brands, the devaluing of environmental cleanliness and integrity at Fiat Chrysler, and the true  
21 value of the Fraudulent Vehicles.  
22

23 490. Plaintiffs suffered ascertainable loss and actual damages as a direct and proximate  
24 result of Defendants’ misrepresentations and its concealment of and failure to disclose material  
25 information. Plaintiffs who purchased or leased the Fraudulent Vehicles would not have  
26 purchased or leased them at all and/or—if the Fraudulent Vehicles’ true nature had been  
27 disclosed and mitigated, and the Fraudulent Vehicles rendered legal to sell—would have paid  
28

1 significantly less for them. Plaintiffs also suffered diminished value of their vehicles, as well as  
 2 lost or diminished use.

3 491. Defendants had an ongoing duty to all their customers to refrain from unfair and  
 4 deceptive practices under the FUDTPA. All owners of Fraudulent Vehicles suffered ascertainable  
 5 loss in the form of the diminished value of their vehicles as a result of Defendants' deceptive  
 6 and unfair acts and practices made in the course of Defendants' business.

8 492. Defendants' violations present a continuing risk to Plaintiffs as well as to the  
 9 general public. Defendants' unlawful acts and practices complained of herein affect the public  
 10 interest.

11 493. As a direct and proximate result of Defendants' violations of the FUDTPA,  
 12 Plaintiffs have suffered injury-in-fact and/or actual damage.

14 494. Plaintiffs are entitled to recover their actual damages under Fla. Stat. § 501.211(2)  
 15 and attorneys' fees under Fla. Stat. § 501.2105(1).

16 495. Plaintiffs also seek an order enjoining Defendants' unfair, unlawful, and/or  
 17 deceptive practices, declaratory relief, attorneys' fees, and any other just and proper relief  
 18 available under the FUDTPA.

20 **FLORIDA COUNT 2**  
 21 **BREACH OF IMPLIED WARRANTY OF MERCHANTABILITY**  
 22 **(F.S.A. §§ 672.314 and 680.212)**  
 23 **(On behalf of the Florida Plaintiffs)**

24 496. Plaintiffs reallege and incorporate by reference all allegations of the preceding  
 25 paragraphs as though fully set forth herein.

26 497. Defendants are and were at all relevant times "merchants" under F.S.A. §§  
 27 672.104(1) and 680.1031(3)(k), and "sellers" of motor vehicles under § 672.103(1)(d).  
 28

1           498. With respect to leases, Defendants are and were at all relevant times “lessors” of  
2 motor vehicles under F.S.A. § 680.1031(1)(p).

3           499. The Fraudulent Vehicles are and were at all relevant times “goods” within the  
4 meaning of F.S.A. §§ 672.105(1) and 680.1031(1)(h).

5           500. A warranty that the Fraudulent Vehicles were in merchantable condition and fit  
6 for the ordinary purpose for which vehicles are used is implied by law pursuant to .S.A. §§  
7 672.314 and 680.212.

8           501. These Fraudulent Vehicles, when sold or leased and at all times thereafter, were  
9 not in merchantable condition and are not fit for the ordinary purpose for which vehicles are  
10 used. Specifically, the Fraudulent Vehicles are inherently defective in that they do not comply  
11 with federal and state emissions standards, rendering certain emissions functions inoperative; and  
12 the “clean” diesel engine system was not adequately designed, manufactured, and tested.

13           502. Defendants were provided notice of these issues by the investigations of the EPA  
14 and individual state regulators, numerous complaints filed against it including the instant  
15 Complaint, and by numerous individual letters and communications sent by Plaintiffs and others  
16 within a reasonable amount of time after the allegations of Fraudulent Vehicle defects became  
17 public.

18           503. As a direct and proximate result of the Defendants’ breach of the implied  
19 warranty of merchantability, Plaintiffs have been damaged in an amount to be proven at trial.

20  
21  
22  
23  
24                   **FLORIDA COUNT 3**  
25                   **BREACH OF EXPRESS WARRANTY**  
26                   **(F.S.A. §§ 672.313 and 680.21)**  
27                   **(On behalf of the Florida Plaintiffs)**

28           504. Plaintiffs reallege and incorporate by reference all preceding allegations as though  
fully set forth herein.

1           505. Defendants are and were at all relevant times “merchants” with respect to motor  
2 vehicles under F.S.A. §§ 672.104(1) and 680.1031(3)(k), and “sellers” of motor vehicles under §  
3 672.103(1)(d).

4           506. With respect to leases, Defendants are and were at all relevant times “lessors” of  
5 motor vehicles under F.S.A. § 680.1031(1)(p).

6           507. The Fraudulent Vehicles are and were at all relevant times “goods” within the  
7 meaning of F.S.A. §§ 672.105(1) and 680.1031(1)(h).

8           508. In connection with the purchase or lease of each one of its new vehicles,  
9 Defendants provide an express New Vehicle Limited Warranty (“NVLW”). This NVLW exists to  
10 cover “any repair to correct a manufacturers defect in materials or workmanship.”  
11

12           509. The Clean Air Act requires manufacturers of light-duty vehicles to provide two  
13 federal emission control warranties: a “Performance Warranty” and a “Design and Defect  
14 Warranty.”  
15

16           510. The EPA requires vehicle manufacturers to provide a Performance Warranty with  
17 respect to the vehicles’ emission systems. Thus, FCA also provides an express warranty for its  
18 vehicles through a Federal Emissions Performance Warranty. The Performance Warranty  
19 required by the EPA applies to repairs that are required during the first two years or 24,000  
20 miles, whichever occurs first, when a vehicle fails an emissions test. Under this warranty, certain  
21 major emission control components are covered for the first eight years or 80,000 miles,  
22 whichever comes first. These major emission control components subject to the longer warranty  
23 include the catalytic converters, the electronic emission control unit, and the onboard emission  
24 diagnostic device or computer.  
25  
26  
27  
28

1           511. The EPA requires vehicle manufacturers to issue Design and Defect Warranties  
2 with respect to their vehicles' emission systems. Thus, Defendants also provide an express  
3 warranty for their vehicles through a Federal Emission Control System Defect Warranty. The  
4 Design and Defect Warranty required by the EPA covers repair of emission control or emission  
5 related parts which fail to function or function improperly because of a defect in materials or  
6 workmanship. This warranty provides protection for two years or 24,000 miles, whichever  
7 comes first, or, for the major emission control components, for eight years or 80,000 miles,  
8 whichever comes first.  
9

10           512. As manufacturers of light-duty vehicles, Defendants were required to provide these  
11 warranties to purchasers or lessees of their "clean" diesel vehicles.  
12

13           513. Defendants' warranties formed a basis of the bargain that was reached when  
14 Plaintiffs and purchased or leased their Fraudulent Vehicles equipped with the non-compliant  
15 "clean" diesel engine and emission systems.  
16

17           514. Plaintiffs experienced defects within the warranty period. Despite the existence of  
18 warranties, Defendants failed to inform Plaintiffs that the Fraudulent Vehicles were intentionally  
19 designed and manufactured to be out of compliance with applicable state and federal emissions  
20 laws, and failed to fix the defective emission components free of charge.  
21

22           515. Defendants breached the express warranty promising to repair and correct a  
23 manufacturing defect or materials or workmanship of any parts they supplied. Defendants have  
24 not repaired or adjusted, and have been unable to repair or adjust, the Fraudulent Vehicles'  
25 materials and workmanship defects.  
26

27           516. Furthermore, the limited warranty promising to repair and/or correct a  
28 manufacturing defect fails in its essential purpose because the contractual remedy is insufficient



1 to make Plaintiffs whole and because Defendants have failed and/or have refused to adequately  
2 provide the promised remedies within a reasonable time.

3 517. Accordingly, recovery by Plaintiffs is not restricted to the limited warranty  
4 promising to repair and/or correct a manufacturing defect, and Plaintiffs seek all remedies as  
5 allowed by law.

6  
7 518. Also, as alleged in more detail herein, at the time Defendants warranted and sold  
8 or leased the Fraudulent Vehicles, they knew that the Fraudulent Vehicles were inherently  
9 defective and did not conform to their warranties; further, Defendants had wrongfully and  
10 fraudulently concealed material facts regarding the Fraudulent Vehicles. Plaintiffs were  
11 therefore induced to purchase or lease the Fraudulent Vehicles under false and/or fraudulent  
12 pretenses.

13  
14 519. Moreover, many of the injuries flowing from the Fraudulent Vehicles cannot be  
15 resolved through the limited remedy of “replacements or adjustments,” as many incidental and  
16 consequential damages have already been suffered because of Defendants’ fraudulent conduct  
17 as alleged herein, and because of their failure and/or continued failure to provide such limited  
18 remedy within a reasonable time, and any limitation on Plaintiffs’ remedies would be  
19 insufficient to make Plaintiffs.

20  
21 520. Finally, because of Defendants’ breach of warranty as set forth herein, Plaintiffs  
22 assert, as additional and/or alternative remedies, the revocation of acceptance of the goods and  
23 the return to Plaintiffs of the purchase or lease price of all Fraudulent Vehicles currently owned  
24 or leased, and for such other incidental and consequential damages as allowed.

25  
26 521. Defendants were provided notice of these issues by numerous complaints filed  
27 against them, including the instant Complaint, within a reasonable amount of time after Fiat  
28

1 Chrysler was accused by the EPA and CARB of using a defeat device in the Fraudulent  
 2 Vehicles to evade clean air standards.

3 522. As a direct and proximate result of Defendants' breach of express warranties,  
 4 Plaintiffs have been damaged in an amount to be determined at trial.

### 5 **GEORGIA COUNTS**

#### 6 **GEORGIA COUNT 1** 7 **VIOLATIONS OF GEORGIA'S FAIR BUSINESS PRACTICES ACT** 8 **(Ga. Code Ann. § 10-1-390, et seq.)** 9 **(On behalf of the Georgia Plaintiffs)**

10 523. Plaintiffs incorporate by reference each preceding paragraph as though fully set  
 11 forth herein.

12 524. The Georgia Fair Business Practices Act ("Georgia FBPA") declares "[u]nfair or  
 13 deceptive acts or practices in the conduct of consumer transactions and consumer acts or practices  
 14 in trade or commerce" to be unlawful, Ga. Code. Ann. § 10-1-393(a), including but not limited to  
 15 "representing that goods or services have sponsorship, approval, characteristics, ingredients, uses,  
 16 benefits, or quantities that they do not have," "[r]epresenting that goods or services are of a  
 17 particular standard, quality, or grade ... if they are of another," and "[a]dvertising goods or services  
 18 with intent not to sell them as advertised," Ga. Code. Ann. § 10-1-393(b).

19 525. In the course of their business, Defendants concealed and suppressed material facts  
 20 concerning the Fraudulent Vehicles. The Defendants installed software in their vehicles that  
 21 enabled emissions controls for nitrogen oxide—a pollutant that contributes to health problems and  
 22 global warming—to pass EPA emissions testing while at the same time disabling the same controls  
 23 during real- world driving. Specifically, the software was designed to cheat emission testing by  
 24 showing lower emissions during laboratory testing conditions than actually existed when the  
 25 vehicle operated on the road. This deceptive practice enabled Defendants' vehicles to pass  
 26  
 27  
 28

1 emission certification tests through deliberately induced lower-than-real-world emissions  
2 readings.

3 526. Plaintiffs had no way of discerning that Defendants' representations were false  
4 and misleading because Defendants' defeat device software was extremely sophisticated  
5 technology. Plaintiffs did not and could not unravel Defendants' deception on their own.  
6

7 527. Defendants thus violated the Act by, at minimum: knowingly representing that  
8 Fraudulent Vehicles have uses and benefits which they do not have; representing that Fraudulent  
9 Vehicles are of a particular standard, quality, and grade when they are not; advertising Fraudulent  
10 Vehicles with the intent not to sell or lease them as advertised; and representing that the subject of  
11 a transaction involving Fraudulent Vehicles has been supplied in accordance with a previous  
12 representation when it was not; and knowingly making other false representations in a transaction.  
13

14 528. Defendants engaged in misleading, false, unfair or deceptive acts or practices that  
15 violated the Georgia FBPA by installing, failing to disclose and actively concealing the illegal  
16 defeat device and the true cleanliness and performance of the "clean" diesel engine system, by  
17 marketing its vehicles as legal, reliable, environmentally clean, efficient, and of high quality, and  
18 by presenting itself as a reputable manufacturer that valued environmental cleanliness and  
19 efficiency, and that stood behind its vehicles after they were sold.  
20

21 529. The Clean Air Act and EPA regulations require that automobiles limit their  
22 emissions output to specified levels. These laws are intended for the protection of public health  
23 and welfare. "Defeat devices" like those in the Fraudulent Vehicles are defined and prohibited  
24 by the Clean Air Act and its regulations. *See* 42 U.S.C. § 7522(a)(3)(B); 40 CFR § 86.1809. By  
25 installing illegal "defeat devices" in the Fraudulent Vehicles and by making those vehicles  
26 available for purchase, Defendants violated federal law and therefore engaged in conduct that  
27  
28

1 violates the Georgia FBPA.

2 530. Defendants knew the true nature of its “clean” diesel engine system, but concealed  
3 all of that information until recently. Defendants were also aware that it valued profits over  
4 environmental cleanliness, efficiency, and compliance with the law, and that it was  
5 manufacturing, selling, and distributing vehicles throughout the United States that did not  
6 comply with EPA regulations. Defendants concealed this information as well.  
7

8 531. Defendants intentionally and knowingly misrepresented material facts regarding  
9 the Fraudulent Vehicles with intent to mislead Plaintiffs.  
10

11 532. Defendants knew or should have known that their conduct violated the Georgia  
12 FBPA.

13 533. Defendants owed Plaintiffs a duty to disclose the illegality and public health and  
14 safety risks of the Fraudulent Vehicles because they:

15 A. possessed exclusive knowledge that they were manufacturing, selling,  
16 and distributing vehicles throughout the United States that did not comply with EPA  
17 regulations;  
18

19 B. intentionally concealed the foregoing from regulators and Plaintiffs;  
20 and/or

21 C. made incomplete representations about the environmental cleanliness  
22 and efficiency of the Fraudulent Vehicles generally, and the use of the defeat device  
23 in particular, while purposefully withholding material facts from Plaintiffs that  
24 contradicted these representations.  
25

26 534. Defendants concealed the illegal defeat device and the true emissions, efficiency,  
27 and performance of the “clean” diesel system, resulting in a raft of negative publicity once the  
28

1 defects finally began to be disclosed. The value of the Fraudulent Vehicles has therefore greatly  
2 diminished. In light of the stigma attached to those vehicles by Defendants' conduct, they are  
3 now worth significantly less than they otherwise would be worth.

4 535. Defendants' fraudulent use of the "defeat device" and its concealment of  
5 the true characteristics of the "clean" diesel engine system were material to Plaintiffs.  
6

7 536. Defendants' unfair or deceptive acts or practices were likely to and did in fact  
8 deceive regulators and reasonable consumers, including Plaintiffs, about the true environmental  
9 cleanliness and efficiency of Jeep- and Ram-branded vehicles, the quality of the Jeep and Ram  
10 brands, the devaluing of environmental cleanliness and integrity at Fiat Chrysler, and the true  
11 value of the Fraudulent Vehicles.  
12

13 537. Plaintiffs suffered ascertainable loss and actual damages as a direct and proximate  
14 result of Defendants' misrepresentations and its concealment of and failure to disclose material  
15 information. Plaintiffs who purchased or leased the Fraudulent Vehicles would not have  
16 purchased or leased them at all and/or—if the Fraudulent Vehicles' true nature had been  
17 disclosed and mitigated, and the Fraudulent Vehicles rendered legal to sell—would have paid  
18 significantly less for them. Plaintiffs also suffered diminished value of their vehicles, as well as  
19 lost or diminished use.  
20

21 538. Defendants had an ongoing duty to all their customers to refrain from unfair and  
22 deceptive practices under the Georgia FBPA. All owners of Fraudulent Vehicles suffered  
23 ascertainable loss in the form of the diminished value of their vehicles as a result of Defendants'  
24 deceptive and unfair acts and practices made in the course of Defendants' business.  
25

26 539. Defendants' violations present a continuing risk to Plaintiffs as well as to the  
27 general public. Defendants' unlawful acts and practices complained of herein affect the public  
28

1 interest.

2 540. As a direct and proximate result of Defendants' violations of the Georgia FBPA,  
3 Plaintiffs have suffered injury-in-fact and/or actual damage.

4 541. Plaintiffs are entitled to recover damages and exemplary damages (for intentional  
5 violations) per Ga. Code. Ann. § 10-1-399(a).

6 542. Plaintiffs also seek an order enjoining Defendants' unfair, unlawful, and/or  
7 deceptive practices, attorneys' fees, and any other just and proper relief available under the  
8 Georgia FBPA per Ga. Code. Ann. § 10-1-399.

9  
10 **GEORGIA COUNT 2**  
11 **VIOLATIONS OF GEORGIA'S UNIFORM DECEPTIVE TRADE PRACTICES ACT**  
12 **(Ga. Code Ann. § 10-1-370, et seq.)**  
13 **(On behalf of the Georgia Plaintiffs)**

14 543. Plaintiffs incorporate by reference each preceding paragraph as though fully set  
15 forth herein.

16 544. Defendants and Plaintiffs are "persons" within the meaning of Georgia Uniform  
17 Deceptive Trade Practices Act ("Georgia UDTA"), Ga. Code. Ann. § 10-1-371(5).

18 545. The Georgia UDTA prohibits "deceptive trade practices," which include the  
19 "misrepresentation of standard or quality of goods or services," and "engaging in any other conduct  
20 which similarly creates a likelihood of confusion or of misunderstanding." Ga. Code. Ann. § 10-  
21 1-372(a).

22 546. In the course of their business, Defendants concealed and suppressed material facts  
23 concerning the Fraudulent Vehicles. The Defendants installed software in their vehicles that  
24 enabled emissions controls for nitrogen oxide—a pollutant that contributes to health problems and  
25 global warming—to pass EPA emissions testing while at the same time disabling the same controls  
26 during real- world driving. Specifically, the software was designed to cheat emission testing by  
27  
28

1 showing lower emissions during laboratory testing conditions than actually existed when the  
2 vehicle operated on the road. This deceptive practice enabled Defendants' vehicles to pass  
3 emission certification tests through deliberately induced lower-than-real-world emissions  
4 readings.

5 547. Plaintiffs had no way of discerning that Defendants' representations were false  
6 and misleading because Defendants' defeat device software was extremely sophisticated  
7 technology. Plaintiffs did not and could not unravel Defendants' deception on their own.  
8

9 548. Defendants thus violated the Act by, at minimum: knowingly representing that  
10 Fraudulent Vehicles have uses and benefits which they do not have; representing that Fraudulent  
11 Vehicles are of a particular standard, quality, and grade when they are not; advertising Fraudulent  
12 Vehicles with the intent not to sell or lease them as advertised; and representing that the subject of  
13 a transaction involving Fraudulent Vehicles has been supplied in accordance with a previous  
14 representation when it was not; and knowingly making other false representations in a transaction.  
15

16 549. Defendants engaged in misleading, false, unfair or deceptive acts or practices that  
17 violated the Georgia UDTPA by installing, failing to disclose and actively concealing the illegal  
18 defeat device and the true cleanliness and performance of the "clean" diesel engine system, by  
19 marketing its vehicles as legal, reliable, environmentally clean, efficient, and of high quality, and  
20 by presenting itself as a reputable manufacturer that valued environmental cleanliness and  
21 efficiency, and that stood behind its vehicles after they were sold.  
22

23 550. The Clean Air Act and EPA regulations require that automobiles limit their  
24 emissions output to specified levels. These laws are intended for the protection of public health  
25 and welfare. "Defeat devices" like those in the Fraudulent Vehicles are defined and prohibited  
26 by the Clean Air Act and its regulations. *See* 42 U.S.C. § 7522(a)(3)(B); 40 CFR § 86.1809. By  
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28

1 installing illegal “defeat devices” in the Fraudulent Vehicles and by making those vehicles  
2 available for purchase, Defendants violated federal law and therefore engaged in conduct that  
3 violates the Georgia UDTPA.

4 551. Defendants knew the true nature of its “clean” diesel engine system, but concealed  
5 all of that information until recently. Defendants were also aware that it valued profits over  
6 environmental cleanliness, efficiency, and compliance with the law, and that it was  
7 manufacturing, selling, and distributing vehicles throughout the United States that did not  
8 comply with EPA regulations. Defendants concealed this information as well.

9  
10 552. Defendants intentionally and knowingly misrepresented material facts regarding  
11 the Fraudulent Vehicles with intent to mislead Plaintiffs.  
12

13 553. Defendants knew or should have known that their conduct violated the Georgia  
14 UDTPA.

15 554. Defendants owed Plaintiffs a duty to disclose the illegality and public health and  
16 safety risks of the Fraudulent Vehicles because they:  
17

18 A. possessed exclusive knowledge that they were manufacturing, selling,  
19 and distributing vehicles throughout the United States that did not comply with EPA  
20 regulations;

21 B. intentionally concealed the foregoing from regulators and Plaintiffs;  
22 and/or  
23

24 C. made incomplete representations about the environmental cleanliness  
25 and efficiency of the Fraudulent Vehicles generally, and the use of the defeat device  
26 in particular, while purposefully withholding material facts from Plaintiffs that  
27 contradicted these representations.  
28



1           555. Defendants concealed the illegal defeat device and the true emissions, efficiency,  
2 and performance of the “clean” diesel system, resulting in a raft of negative publicity once the  
3 defects finally began to be disclosed. The value of the Fraudulent Vehicles has therefore greatly  
4 diminished. In light of the stigma attached to those vehicles by Defendants’ conduct, they are  
5 now worth significantly less than they otherwise would be worth.

6  
7           556. Defendants’ fraudulent use of the “defeat device” and its concealment of  
8 the true characteristics of the “clean” diesel engine system were material to Plaintiffs.

9           557. Defendants’ unfair or deceptive acts or practices were likely to and did in fact  
10 deceive regulators and reasonable consumers, including Plaintiffs, about the true environmental  
11 cleanliness and efficiency of Jeep- and Ram-branded vehicles, the quality of the Jeep and Ram  
12 brands, the devaluing of environmental cleanliness and integrity at Fiat Chrysler, and the true  
13 value of the Fraudulent Vehicles.

14  
15           558. Plaintiffs suffered ascertainable loss and actual damages as a direct and proximate  
16 result of Defendants’ misrepresentations and its concealment of and failure to disclose material  
17 information. Plaintiffs who purchased or leased the Fraudulent Vehicles would not have  
18 purchased or leased them at all and/or—if the Fraudulent Vehicles’ true nature had been  
19 disclosed and mitigated, and the Fraudulent Vehicles rendered legal to sell—would have paid  
20 significantly less for them. Plaintiffs also suffered diminished value of their vehicles, as well as  
21 lost or diminished use.

22  
23           559. Defendants had an ongoing duty to all their customers to refrain from unfair and  
24 deceptive practices under the Georgia UDTPA. All owners of Fraudulent Vehicles suffered  
25 ascertainable loss in the form of the diminished value of their vehicles as a result of Defendants’  
26 deceptive and unfair acts and practices made in the course of Defendants’ business.  
27  
28



1 used. Specifically, the Fraudulent Vehicles are inherently defective in that they do not comply  
 2 with federal and state emissions standards, rendering certain emissions functions inoperative; and  
 3 the “clean” diesel engine system was not adequately designed, manufactured, and tested.

4 569. Defendants were provided notice of these issues by the investigations of the EPA  
 5 and individual state regulators, numerous complaints filed against it including the instant  
 6 Complaint, and by numerous individual letters and communications sent by Plaintiffs and others  
 7 within a reasonable amount of time after the allegations of Fraudulent Vehicle defects became  
 8 public.  
 9

10 570. As a direct and proximate result of the Defendants’ breach of the implied  
 11 warranty of merchantability, Plaintiffs have been damaged in an amount to be proven at trial.  
 12

13 **GEORGIA COUNT 4**  
 14 **BREACH OF EXPRESS WARRANTY**  
 15 **(Ga. Code. Ann. §§ 11-2-313 and 11-2A-210)**  
 16 **(On behalf of the Georgia Plaintiffs)**

17 571. Plaintiffs reallege and incorporate by reference all preceding allegations as though  
 18 fully set forth herein.

19 572. Defendants are and were at all relevant times “merchants” with respect to motor  
 20 vehicles under Ga. Code Ann. §§ 11-2-104(1) and 11-2A-103(3), and “sellers” of motor vehicles  
 21 under § 11-2-103(1)(d).

22 573. With respect to leases, Defendants are and were at all relevant times “lessors” of  
 23 motor vehicles under Ga. Code Ann. § 11-2A-103(1)(p).

24 574. The Fraudulent Vehicles are and were at all relevant times “goods” within the  
 25 meaning of Ga. Code Ann. § 11-2A-103(1)(p).  
 26  
 27  
 28

1           575. In connection with the purchase or lease of each one of its new vehicles,  
2 Defendants provide an express New Vehicle Limited Warranty (“NVLW”). This NVLW exists  
3 to cover “any repair to correct a manufacturers defect in materials or workmanship.”

4           576. The Clean Air Act requires manufacturers of light-duty vehicles to provide two  
5 federal emission control warranties: a “Performance Warranty” and a “Design and Defect  
6 Warranty.”

7  
8           577. The EPA requires vehicle manufacturers to provide a Performance Warranty with  
9 respect to the vehicles’ emission systems. Thus, FCA also provides an express warranty for its  
10 vehicles through a Federal Emissions Performance Warranty. The Performance Warranty  
11 required by the EPA applies to repairs that are required during the first two years or 24,000  
12 miles, whichever occurs first, when a vehicle fails an emissions test. Under this warranty, certain  
13 major emission control components are covered for the first eight years or 80,000 miles,  
14 whichever comes first. These major emission control components subject to the longer warranty  
15 include the catalytic converters, the electronic emission control unit, and the onboard emission  
16 diagnostic device or computer.  
17

18  
19           578. The EPA requires vehicle manufacturers to issue Design and Defect Warranties  
20 with respect to their vehicles’ emission systems. Thus, Defendants also provide an express  
21 warranty for their vehicles through a Federal Emission Control System Defect Warranty. The  
22 Design and Defect Warranty required by the EPA covers repair of emission control or emission  
23 related parts which fail to function or function improperly because of a defect in materials or  
24 workmanship. This warranty provides protection for two years or 24,000 miles, whichever  
25 comes first, or, for the major emission control components, for eight years or 80,000 miles,  
26 whichever comes first.  
27  
28

1           579. As manufacturers of light-duty vehicles, Defendants were required to provide these  
2 warranties to purchasers or lessees of their “clean” diesel vehicles.

3           580. Defendants’ warranties formed a basis of the bargain that was reached when  
4 Plaintiffs and purchased or leased their Fraudulent Vehicles equipped with the non-compliant  
5 “clean” diesel engine and emission systems.

6           581. Plaintiffs experienced defects within the warranty period. Despite the  
7 existence of warranties, Defendants failed to inform Plaintiffs that the Fraudulent Vehicles were  
8 intentionally designed and manufactured to be out of compliance with applicable state and  
9 federal emissions laws, and failed to fix the defective emission components free of charge.  
10

11           582. Defendants breached the express warranty promising to repair and correct a  
12 manufacturing defect or materials or workmanship of any parts they supplied. Defendants have  
13 not repaired or adjusted, and have been unable to repair or adjust, the Fraudulent Vehicles’  
14 materials and workmanship defects.  
15

16           583. Furthermore, the limited warranty promising to repair and/or correct a  
17 manufacturing defect fails in its essential purpose because the contractual remedy is insufficient  
18 to make Plaintiffs whole and because Defendants have failed and/or have refused to adequately  
19 provide the promised remedies within a reasonable time.  
20

21           584. Accordingly, recovery by Plaintiffs is not restricted to the limited warranty  
22 promising to repair and/or correct a manufacturing defect, and Plaintiffs seek all remedies as  
23 allowed by law.  
24

25           585. Also, as alleged in more detail herein, at the time Defendants warranted and sold  
26 or leased the Fraudulent Vehicles, they knew that the Fraudulent Vehicles were inherently  
27 defective and did not conform to their warranties; further, Defendants had wrongfully and  
28

1 fraudulently concealed material facts regarding the Fraudulent Vehicles. Plaintiffs were  
2 therefore induced to purchase or lease the Fraudulent Vehicles under false and/or fraudulent  
3 pretenses.

4 586. Moreover, many of the injuries flowing from the Fraudulent Vehicles cannot be  
5 resolved through the limited remedy of “replacements or adjustments,” as many incidental and  
6 consequential damages have already been suffered because of Defendants’ fraudulent conduct  
7 as alleged herein, and because of their failure and/or continued failure to provide such limited  
8 remedy within a reasonable time, and any limitation on Plaintiffs’ remedies would be  
9 insufficient to make Plaintiffs.  
10

11 587. Finally, because of Defendants’ breach of warranty as set forth herein, Plaintiffs  
12 assert, as additional and/or alternative remedies, the revocation of acceptance of the goods and  
13 the return to Plaintiffs of the purchase or lease price of all Fraudulent Vehicles currently owned  
14 or leased, and for such other incidental and consequential damages as allowed.  
15

16 588. Defendants were provided notice of these issues by numerous complaints filed  
17 against them, including the instant Complaint, within a reasonable amount of time after Fiat  
18 Chrysler was accused by the EPA and CARB of using a defeat device in the Fraudulent  
19 Vehicles to evade clean air standards.  
20

21 589. As a direct and proximate result of Defendants’ breach of express warranties,  
22 Plaintiffs have been damaged in an amount to be determined at trial.  
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**IDAHO COUNTS**

**IDAHO COUNT 1  
VIOLATIONS OF THE IDAHO CONSUMER PROTECTION ACT  
(Idaho Code § 48-601, et seq.)  
(On behalf of Idaho Plaintiffs)**

590. Plaintiffs incorporate by reference each preceding paragraph as though fully set forth herein.

591. Defendants are “person[s]” under the Idaho Consumer Protection Act (“Idaho CPA”), Idaho Code § 48-602(1).

592. Defendants’ acts or practices as set forth above occurred in the conduct of “trade” or “commerce” under Idaho Code § 48-602(2).

593. Defendants participated in misleading, false, or deceptive acts that violated the Idaho CPA.

594. In the course of their business, Defendants concealed and suppressed material facts concerning the Fraudulent Vehicles. The Defendants installed software in their vehicles that enabled emissions controls for nitrogen oxide—a pollutant that contributes to health problems and global warming—to pass EPA emissions testing while at the same time disabling the same controls during real- world driving. Specifically, the software was designed to cheat emission testing by showing lower emissions during laboratory testing conditions than actually existed when the vehicle operated on the road. This deceptive practice enabled Defendants’ vehicles to pass emission certification tests through deliberately induced lower-than-real-world emissions readings.

595. Plaintiffs had no way of discerning that Defendants’ representations were false and misleading because Defendants’ defeat device software was extremely sophisticated technology. Plaintiffs did not and could not unravel Defendants’ deception on their own.

1           596. Defendants thus violated the Act by, at minimum: knowingly representing that  
2 Fraudulent Vehicles have uses and benefits which they do not have; representing that Fraudulent  
3 Vehicles are of a particular standard, quality, and grade when they are not; advertising Fraudulent  
4 Vehicles with the intent not to sell or lease them as advertised; and representing that the subject of  
5 a transaction involving Fraudulent Vehicles has been supplied in accordance with a previous  
6 representation when it was not; and knowingly making other false representations in a transaction.

7  
8           597. Defendants engaged in misleading, false, unfair or deceptive acts or practices that  
9 violated the Idaho CPA by installing, failing to disclose and actively concealing the illegal defeat  
10 device and the true cleanliness and performance of the “clean” diesel engine system, by  
11 marketing its vehicles as legal, reliable, environmentally clean, efficient, and of high quality, and  
12 by presenting itself as a reputable manufacturer that valued environmental cleanliness and  
13 efficiency, and that stood behind its vehicles after they were sold.

14  
15           598. The Clean Air Act and EPA regulations require that automobiles limit their  
16 emissions output to specified levels. These laws are intended for the protection of public health  
17 and welfare. “Defeat devices” like those in the Fraudulent Vehicles are defined and prohibited  
18 by the Clean Air Act and its regulations. *See* 42 U.S.C. § 7522(a)(3)(B); 40 CFR § 86.1809. By  
19 installing illegal “defeat devices” in the Fraudulent Vehicles and by making those vehicles  
20 available for purchase, Defendants violated federal law and therefore engaged in conduct that  
21 violates the Idaho CPA.  
22

23  
24           599. Defendants knew the true nature of its “clean” diesel engine system, but concealed  
25 all of that information until recently. Defendants were also aware that it valued profits over  
26 environmental cleanliness, efficiency, and compliance with the law, and that it was  
27 manufacturing, selling, and distributing vehicles throughout the United States that did not  
28



1 comply with EPA regulations. Defendants concealed this information as well.

2 600. Defendants intentionally and knowingly misrepresented material facts regarding  
3 the Fraudulent Vehicles with intent to mislead Plaintiffs.

4 601. Defendants knew or should have known that their conduct violated the Idaho  
5 CPA.  
6

7 602. Defendants owed Plaintiffs a duty to disclose the illegality and public health and  
8 safety risks of the Fraudulent Vehicles because they:

9 A. possessed exclusive knowledge that they were manufacturing, selling,  
10 and distributing vehicles throughout the United States that did not comply with EPA  
11 regulations;  
12

13 B. intentionally concealed the foregoing from regulators and Plaintiffs;  
14 and/or

15 C. made incomplete representations about the environmental cleanliness  
16 and efficiency of the Fraudulent Vehicles generally, and the use of the defeat device  
17 in particular, while purposefully withholding material facts from Plaintiffs that  
18 contradicted these representations.  
19

20 603. Defendants concealed the illegal defeat device and the true emissions, efficiency,  
21 and performance of the “clean” diesel system, resulting in a raft of negative publicity once the  
22 defects finally began to be disclosed. The value of the Fraudulent Vehicles has therefore greatly  
23 diminished. In light of the stigma attached to those vehicles by Defendants’ conduct, they are  
24 now worth significantly less than they otherwise would be worth.  
25

26 604. Defendants’ fraudulent use of the “defeat device” and its concealment of  
27 the true characteristics of the “clean” diesel engine system were material to Plaintiffs.  
28

1           605. Defendants' unfair or deceptive acts or practices were likely to and did in fact  
2 deceive regulators and reasonable consumers, including Plaintiffs, about the true environmental  
3 cleanliness and efficiency of Jeep- and Ram-branded vehicles, the quality of the Jeep and Ram  
4 brands, the devaluing of environmental cleanliness and integrity at Fiat Chrysler, and the true  
5 value of the Fraudulent Vehicles.

6  
7           606. Plaintiffs suffered ascertainable loss and actual damages as a direct and proximate  
8 result of Defendants' misrepresentations and its concealment of and failure to disclose material  
9 information. Plaintiffs who purchased or leased the Fraudulent Vehicles would not have  
10 purchased or leased them at all and/or—if the Fraudulent Vehicles' true nature had been  
11 disclosed and mitigated, and the Fraudulent Vehicles rendered legal to sell—would have paid  
12 significantly less for them. Plaintiffs also suffered diminished value of their vehicles, as well as  
13 lost or diminished use.

14  
15           607. Defendants had an ongoing duty to all their customers to refrain from unfair and  
16 deceptive practices under the Idaho CPA. All owners of Fraudulent Vehicles suffered  
17 ascertainable loss in the form of the diminished value of their vehicles as a result of Defendants'  
18 deceptive and unfair acts and practices made in the course of Defendants' business.

19  
20           608. Defendants' violations present a continuing risk to Plaintiffs as well as to the  
21 general public. Defendants' unlawful acts and practices complained of herein affect the public  
22 interest.

23  
24           609. As a direct and proximate result of Defendants' violations of the Idaho CPA,  
25 Plaintiffs have suffered injury-in-fact and/or actual damage.

1           610. Pursuant to Idaho Code § 48-608, Plaintiffs seek monetary relief against  
 2 Defendants measured as the greater of (a) actual damages in an amount to be determined at trial  
 3 and (b) statutory damages in the amount of \$1,000 for each Plaintiff.

4           611. Plaintiffs also seek an order enjoining Defendants' unfair, unlawful, and/or  
 5 deceptive practices, attorneys' fees, and any other just and proper relief available under the Idaho  
 6 CPA.  
 7

8           612. Plaintiffs also seek punitive damages against Defendants because Defendants'  
 9 conduct evidences an extreme deviation from reasonable standards.

10           613. Defendants flagrantly, maliciously, and fraudulently misrepresented the safety and  
 11 reliability of the Fraudulent Vehicles, deceived Plaintiffs on life-or-death matters, concealed  
 12 material facts that only they knew, and repeatedly promised Plaintiffs all vehicles were safe—all  
 13 to avoid the expense and public relations nightmare of correcting a noxious flaw in the Fraudulent  
 14 Vehicles. Defendants' unlawful conduct constitutes malice, oppression, and fraud warranting  
 15 punitive damages.  
 16  
 17

18                   **IDAHO COUNT 2**  
 19                   **BREACH OF IMPLIED WARRANTY OF MERCHANTABILITY**  
 20                   **(Idaho Code §§ 28-2-314 and 28-12-212)**  
 21                   **(On behalf of the Idaho Plaintiffs)**

22           614. Plaintiffs reallege and incorporate by reference all allegations of the preceding  
 23 paragraphs as though fully set forth herein.

24           615. Defendants are and were at all relevant "merchants" with respect to motor  
 25 vehicles under Idaho Code §§ 28-2-104(1) and 28-12-103(3), and "sellers" of motor vehicles  
 26 under § 28-2-103(1)(d).

27           616. With respect to leases, Defendants are and were at all relevant times "lessors" of  
 28 motor vehicles under Idaho Code § 28-12-103(1)(p).

1           617. The Fraudulent Vehicles are and were at all relevant times “goods” within the  
2 meaning of Idaho Code §§ 28-2-105(1) and 28-12-103(1)(h).

3           618. A warranty that the Fraudulent Vehicles were in merchantable condition and fit  
4 for the ordinary purpose for which vehicles are used is implied by law pursuant to Idaho Code §§  
5 28-2- 5 and 28-12-212.

6           619. These Fraudulent Vehicles, when sold or leased and at all times thereafter, were  
7 not in merchantable condition and are not fit for the ordinary purpose for which vehicles are  
8 used. Specifically, the Fraudulent Vehicles are inherently defective in that they do not comply  
9 with federal and state emissions standards, rendering certain emissions functions inoperative; and  
10 the “clean” diesel engine system was not adequately designed, manufactured, and tested.  
11

12           620. Defendants were provided notice of these issues by the investigations of the EPA  
13 and individual state regulators, numerous complaints filed against it including the instant  
14 Complaint, and by numerous individual letters and communications sent by Plaintiffs and others  
15 within a reasonable amount of time after the allegations of Fraudulent Vehicle defects became  
16 public.  
17

18           621. As a direct and proximate result of the Defendants’ breach of the implied  
19 warranty of merchantability, Plaintiffs have been damaged in an amount to be proven at trial.  
20

21                           **IDAHO COUNT 3**  
22                           **BREACH OF EXPRESS WARRANTY**  
23                           **(Idaho Code §§ 28-2-313 and 28-12-210)**  
24                           **(On behalf of the Idaho Plaintiffs)**

25           622. Plaintiffs reallege and incorporate by reference all preceding allegations as though  
26 fully set forth herein.  
27  
28

1           623. Defendants are and were at all relevant times “merchants” with respect to motor  
2 vehicles under Idaho Code §§ 28-2-104(1) and 28-12-103(3), and “sellers” of motor vehicles under  
3 § 28-2-103(1)(d).

4           624. With respect to leases, Defendants are and were at all relevant times “lessors” of  
5 motor vehicles under Idaho Code § 28-12-103(1)(p).

6           625. The Fraudulent Vehicles are and were at all relevant times “goods” within the  
7 meaning of Idaho Code §§ 28-2-105(1) and 28-12-103(1)(h).

8           626. In connection with the purchase or lease of each one of its new vehicles,  
9 Defendants provide an express New Vehicle Limited Warranty (“NVLW”). This NVLW exists to  
10 cover “any repair to correct a manufacturers defect in materials or workmanship.”  
11

12           627. The Clean Air Act requires manufacturers of light-duty vehicles to provide two  
13 federal emission control warranties: a “Performance Warranty” and a “Design and Defect  
14 Warranty.”  
15

16           628. The EPA requires vehicle manufacturers to provide a Performance Warranty with  
17 respect to the vehicles’ emission systems. Thus, FCA also provides an express warranty for its  
18 vehicles through a Federal Emissions Performance Warranty. The Performance Warranty  
19 required by the EPA applies to repairs that are required during the first two years or 24,000  
20 miles, whichever occurs first, when a vehicle fails an emissions test. Under this warranty, certain  
21 major emission control components are covered for the first eight years or 80,000 miles,  
22 whichever comes first. These major emission control components subject to the longer warranty  
23 include the catalytic converters, the electronic emission control unit, and the onboard emission  
24 diagnostic device or computer.  
25  
26  
27  
28

1           629. The EPA requires vehicle manufacturers to issue Design and Defect Warranties  
2 with respect to their vehicles' emission systems. Thus, Defendants also provide an express  
3 warranty for their vehicles through a Federal Emission Control System Defect Warranty. The  
4 Design and Defect Warranty required by the EPA covers repair of emission control or emission  
5 related parts which fail to function or function improperly because of a defect in materials or  
6 workmanship. This warranty provides protection for two years or 24,000 miles, whichever  
7 comes first, or, for the major emission control components, for eight years or 80,000 miles,  
8 whichever comes first.  
9

10           630. As manufacturers of light-duty vehicles, Defendants were required to provide these  
11 warranties to purchasers or lessees of their "clean" diesel vehicles.  
12

13           631. Defendants' warranties formed a basis of the bargain that was reached when  
14 Plaintiffs and purchased or leased their Fraudulent Vehicles equipped with the non-compliant  
15 "clean" diesel engine and emission systems.  
16

17           632. Plaintiffs experienced defects within the warranty period. Despite the existence of  
18 warranties, Defendants failed to inform Plaintiffs that the Fraudulent Vehicles were intentionally  
19 designed and manufactured to be out of compliance with applicable state and federal emissions  
20 laws, and failed to fix the defective emission components free of charge.  
21

22           633. Defendants breached the express warranty promising to repair and correct a  
23 manufacturing defect or materials or workmanship of any parts they supplied. Defendants have  
24 not repaired or adjusted, and have been unable to repair or adjust, the Fraudulent Vehicles'  
25 materials and workmanship defects.  
26

27           634. Furthermore, the limited warranty promising to repair and/or correct a  
28 manufacturing defect fails in its essential purpose because the contractual remedy is insufficient

1 to make Plaintiffs whole and because Defendants have failed and/or have refused to adequately  
2 provide the promised remedies within a reasonable time.

3 635. Accordingly, recovery by Plaintiffs is not restricted to the limited warranty  
4 promising to repair and/or correct a manufacturing defect, and Plaintiffs seek all remedies as  
5 allowed by law.

6  
7 636. Also, as alleged in more detail herein, at the time Defendants warranted and sold  
8 or leased the Fraudulent Vehicles, they knew that the Fraudulent Vehicles were inherently  
9 defective and did not conform to their warranties; further, Defendants had wrongfully and  
10 fraudulently concealed material facts regarding the Fraudulent Vehicles. Plaintiffs were  
11 therefore induced to purchase or lease the Fraudulent Vehicles under false and/or fraudulent  
12 pretenses.

13  
14 637. Moreover, many of the injuries flowing from the Fraudulent Vehicles cannot be  
15 resolved through the limited remedy of “replacements or adjustments,” as many incidental and  
16 consequential damages have already been suffered because of Defendants’ fraudulent conduct  
17 as alleged herein, and because of their failure and/or continued failure to provide such limited  
18 remedy within a reasonable time, and any limitation on Plaintiffs’ remedies would be  
19 insufficient to make Plaintiffs.

20  
21 638. Finally, because of Defendants’ breach of warranty as set forth herein, Plaintiffs  
22 assert, as additional and/or alternative remedies, the revocation of acceptance of the goods and  
23 the return to Plaintiffs of the purchase or lease price of all Fraudulent Vehicles currently owned  
24 or leased, and for such other incidental and consequential damages as allowed.

25  
26 639. Defendants were provided notice of these issues by numerous complaints filed  
27 against them, including the instant Complaint, within a reasonable amount of time after Fiat  
28

Chrysler was accused by the EPA and CARB of using a defeat device in the Fraudulent Vehicles to evade clean air standards.

640. As a direct and proximate result of Defendants' breach of express warranties, Plaintiffs have been damaged in an amount to be determined at trial.

### **ILLINOIS COUNTS**

#### **ILLINOIS COUNT 1 VIOLATIONS OF ILLINOIS CONSUMER FRAUD AND DECEPTIVE BUSINESS PRACTICES ACT (815 ILCS 505/1, et seq. and 720 ILCS 295/1a) (On behalf of the Illinois Plaintiffs)**

641. Plaintiffs incorporate by reference each preceding paragraph as though fully set forth herein.

642. Defendants are "person[s]" as that term is defined in 815 ILCS 505/1(c).

643. Plaintiffs are "consumers" as that term is defined in 815 ILCS 505/1(e).

644. The Illinois Consumer Fraud and Deceptive Business Practices Act ("Illinois CFA") prohibits "unfair or deceptive acts or practices, including but not limited to the use or employment of any deception, fraud, false pretense, false promise, misrepresentation or the concealment, suppression or omission of any material fact, with intent that others rely upon the concealment, suppression or omission of such material fact ... in the conduct of trade or commerce ... whether any person has in fact been misled, deceived or damaged thereby." ILCS 505/2

645. In the course of their business, Defendants concealed and suppressed material facts concerning the Fraudulent Vehicles. The Defendants installed software in their vehicles that enabled emissions controls for nitrogen oxide—a pollutant that contributes to health problems and global warming—to pass EPA emissions testing while at the same time disabling the same controls during real- world driving. Specifically, the software was designed to cheat emission testing by



1 showing lower emissions during laboratory testing conditions then actually existed when the  
2 vehicle operated on the road. This deceptive practice enabled Defendants' vehicles to pass  
3 emission certification tests through deliberately induced lower-than-real-world emissions  
4 readings.

5 646. Plaintiffs had no way of discerning that Defendants' representations were false  
6 and misleading because Defendants' defeat device software was extremely sophisticated  
7 technology. Plaintiffs did not and could not unravel Defendants' deception on their own.  
8

9 647. Defendants thus violated the Act by, at minimum: knowingly representing that  
10 Fraudulent Vehicles have uses and benefits which they do not have; representing that Fraudulent  
11 Vehicles are of a particular standard, quality, and grade when they are not; advertising Fraudulent  
12 Vehicles with the intent not to sell or lease them as advertised; and representing that the subject of  
13 a transaction involving Fraudulent Vehicles has been supplied in accordance with a previous  
14 representation when it was not; and knowingly making other false representations in a transaction.  
15

16 648. Defendants engaged in misleading, false, unfair or deceptive acts or practices that  
17 violated the Illinois CFA by installing, failing to disclose and actively concealing the illegal  
18 defeat device and the true cleanliness and performance of the "clean" diesel engine system, by  
19 marketing its vehicles as legal, reliable, environmentally clean, efficient, and of high quality, and  
20 by presenting itself as a reputable manufacturer that valued environmental cleanliness and  
21 efficiency, and that stood behind its vehicles after they were sold.  
22

23 649. The Clean Air Act and EPA regulations require that automobiles limit their  
24 emissions output to specified levels. These laws are intended for the protection of public health  
25 and welfare. "Defeat devices" like those in the Fraudulent Vehicles are defined and prohibited  
26 by the Clean Air Act and its regulations. *See* 42 U.S.C. § 7522(a)(3)(B); 40 CFR § 86.1809. By  
27  
28

1 installing illegal “defeat devices” in the Fraudulent Vehicles and by making those vehicles  
2 available for purchase, Defendants violated federal law and therefore engaged in conduct that  
3 violates the Illinois CFA.

4 650. Defendants knew the true nature of its “clean” diesel engine system, but concealed  
5 all of that information until recently. Defendants were also aware that it valued profits over  
6 environmental cleanliness, efficiency, and compliance with the law, and that it was  
7 manufacturing, selling, and distributing vehicles throughout the United States that did not  
8 comply with EPA regulations. Defendants concealed this information as well.

9  
10 651. Defendants intentionally and knowingly misrepresented material facts regarding  
11 the Fraudulent Vehicles with intent to mislead Plaintiffs.  
12

13 652. Defendants knew or should have known that their conduct violated the Illinois  
14 CFA.

15 653. Defendants owed Plaintiffs a duty to disclose the illegality and public health and  
16 safety risks of the Fraudulent Vehicles because they:  
17

18 A. possessed exclusive knowledge that they were manufacturing, selling,  
19 and distributing vehicles throughout the United States that did not comply with EPA  
20 regulations;

21 B. intentionally concealed the foregoing from regulators and Plaintiffs;  
22 and/or  
23

24 C. made incomplete representations about the environmental cleanliness  
25 and efficiency of the Fraudulent Vehicles generally, and the use of the defeat device  
26 in particular, while purposefully withholding material facts from Plaintiffs that  
27 contradicted these representations.  
28

1           654. Defendants concealed the illegal defeat device and the true emissions, efficiency,  
2 and performance of the “clean” diesel system, resulting in a raft of negative publicity once the  
3 defects finally began to be disclosed. The value of the Fraudulent Vehicles has therefore greatly  
4 diminished. In light of the stigma attached to those vehicles by Defendants’ conduct, they are  
5 now worth significantly less than they otherwise would be worth.

6  
7           655. Defendants’ fraudulent use of the “defeat device” and its concealment of  
8 the true characteristics of the “clean” diesel engine system were material to Plaintiffs.

9           656. Defendants’ unfair or deceptive acts or practices were likely to and did in fact  
10 deceive regulators and reasonable consumers, including Plaintiffs, about the true environmental  
11 cleanliness and efficiency of Jeep- and Ram-branded vehicles, the quality of the Jeep and Ram  
12 brands, the devaluing of environmental cleanliness and integrity at Fiat Chrysler, and the true  
13 value of the Fraudulent Vehicles.

14  
15           657. Plaintiffs suffered ascertainable loss and actual damages as a direct and proximate  
16 result of Defendants’ misrepresentations and its concealment of and failure to disclose material  
17 information. Plaintiffs who purchased or leased the Fraudulent Vehicles would not have  
18 purchased or leased them at all and/or—if the Fraudulent Vehicles’ true nature had been  
19 disclosed and mitigated, and the Fraudulent Vehicles rendered legal to sell—would have paid  
20 significantly less for them. Plaintiffs also suffered diminished value of their vehicles, as well as  
21 lost or diminished use.

22  
23           658. Defendants had an ongoing duty to all their customers to refrain from unfair and  
24 deceptive practices under the Illinois CFA. All owners of Fraudulent Vehicles suffered  
25 ascertainable loss in the form of the diminished value of their vehicles as a result of Defendants’  
26 deceptive and unfair acts and practices made in the course of Defendants’ business.  
27  
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1           659. Defendants' violations present a continuing risk to Plaintiffs as well as to the  
2 general public. Defendants' unlawful acts and practices complained of herein affect the public  
3 interest.

4           660. As a direct and proximate result of Defendants' violations of the Illinois CFA,  
5 Plaintiffs have suffered injury-in-fact and/or actual damage.

6           661. Pursuant to 815 ILCS 505/10a(a), Plaintiffs seek monetary relief against  
7 Defendants in the amount of actual damages, as well as punitive damages because Defendants  
8 acted with fraud and/or malice and/or was grossly negligent.

9           662. Plaintiffs also seek an order enjoining Defendants' unfair and/or deceptive acts or  
10 practices, punitive damages, and attorneys' fees, and any other just and proper relief available  
11 under 815 ILCS § 505/1 et seq.  
12

13  
14                                   **ILLINOIS COUNT 2**  
15                   **BREACH OF IMPLIED WARRANTY OF MERCHANTABILITY**  
16                   **(810 Ill. Comp. Stat. §§ 5/2-314 and 5/2A-212)**  
                                 **(On Behalf of the Illinois Plaintiffs)**

17           663. Plaintiffs reallege and incorporate by reference all allegations of the preceding  
18 paragraphs as though fully set forth herein.

19           664. Defendants are and were at all relevant times "merchants" with respect to motor  
20 vehicles under 810 Ill. Comp. Stat. §§ 5/2-104(1) and 5/2A-103(3), and "sellers" of motor  
21 vehicles under § 5/2-103(1)(d).  
22

23           665. With respect to leases, Defendants are and were at all relevant times "lessors" of  
24 motor vehicles under 810 Ill. Comp. Stat. § 5/2A-103(1)(p).  
25

26           666. The Fraudulent Vehicles are and were at all relevant times "goods" within the  
27 meaning of 810 Ill. Comp. Stat. §§ 5/2-105(1) and 5/2A-103(1)(h).  
28

1           667. A warranty that the Fraudulent Vehicles were in merchantable condition and fit  
2 for the ordinary purpose for which vehicles are used is implied by law pursuant to 810 Ill. Comp.  
3 Stat. §§ 28-2-314 and 28-12-212.

4           668. These Fraudulent Vehicles, when sold or leased and at all times thereafter, were  
5 not in merchantable condition and are not fit for the ordinary purpose for which vehicles are  
6 used. Specifically, the Fraudulent Vehicles are inherently defective in that they do not comply  
7 with federal and state emissions standards, rendering certain emissions functions inoperative; and  
8 the “clean” diesel engine system was not adequately designed, manufactured, and tested.  
9

10           669. Defendants were provided notice of these issues by the investigations of the EPA  
11 and individual state regulators, numerous complaints filed against it including the instant  
12 Complaint, and by numerous individual letters and communications sent by Plaintiffs and others  
13 within a reasonable amount of time after the allegations of Fraudulent Vehicle defects became  
14 public.  
15

16           670. As a direct and proximate result of the Defendants’ breach of the implied  
17 warranty of merchantability, Plaintiffs have been damaged in an amount to be proven at trial.  
18

19                           **ILLINOIS COUNT 3**  
20                           **BREACH OF EXPRESS WARRANTY**  
21                           **(810 Ill. Comp. Stat. §§ 5/2-313 and 5/2A-210)**  
22                           **(On behalf of the Illinois Plaintiffs)**

23           671. Plaintiffs reallege and incorporate by reference all preceding allegations as though  
24 fully set forth herein.

25           672. Defendants are and were at all relevant times “merchants” with respect to motor  
26 vehicles under 810 Ill. Comp. Stat. §§ 5/2-104(1) and 5/2A-103(3), and “sellers” of motor vehicles  
27 under § 5/2-103(1)(d).  
28

1           673. With respect to leases, Defendants are and were at all relevant times “lessors” of  
2 motor vehicles under 810 Ill. Comp. Stat. § 5/2A-103(1)(p).

3           674. The Fraudulent Vehicles are and were at all relevant times “goods” within the  
4 meaning of 810 Ill. Comp. Stat. §§ 5/2-105(1) and 5/2A-103(1)(h).

5           675. In connection with the purchase or lease of each one of its new vehicles,  
6 Defendants provide an express New Vehicle Limited Warranty (“NVLW”). This NVLW exists  
7 to cover “any repair to correct a manufacturers defect in materials or workmanship.”  
8

9           676. The Clean Air Act requires manufacturers of light-duty vehicles to provide two  
10 federal emission control warranties: a “Performance Warranty” and a “Design and Defect  
11 Warranty.”  
12

13           677. The EPA requires vehicle manufacturers to provide a Performance Warranty with  
14 respect to the vehicles’ emission systems. Thus, FCA also provides an express warranty for its  
15 vehicles through a Federal Emissions Performance Warranty. The Performance Warranty  
16 required by the EPA applies to repairs that are required during the first two years or 24,000  
17 miles, whichever occurs first, when a vehicle fails an emissions test. Under this warranty,  
18 certain major emission control components are covered for the first eight years or 80,000 miles,  
19 whichever comes first. These major emission control components subject to the longer warranty  
20 include the catalytic converters, the electronic emission control unit, and the onboard emission  
21 diagnostic device or computer.  
22

23           678. The EPA requires vehicle manufacturers to issue Design and Defect Warranties  
24 with respect to their vehicles’ emission systems. Thus, Defendants also provide an express  
25 warranty for their vehicles through a Federal Emission Control System Defect Warranty. The  
26 Design and Defect Warranty required by the EPA covers repair of emission control or emission  
27  
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1 related parts which fail to function or function improperly because of a defect in materials or  
2 workmanship. This warranty provides protection for two years or 24,000 miles, whichever  
3 comes first, or, for the major emission control components, for eight years or 80,000 miles,  
4 whichever comes first.

5 679. As manufacturers of light-duty vehicles, Defendants were required to provide these  
6 warranties to purchasers or lessees of their “clean” diesel vehicles.

7 680. Defendants’ warranties formed a basis of the bargain that was reached when  
8 Plaintiffs and purchased or leased their Fraudulent Vehicles equipped with the non-compliant  
9 “clean” diesel engine and emission systems.

10 681. Plaintiffs experienced defects within the warranty period. Despite the existence of  
11 warranties, Defendants failed to inform Plaintiffs that the Fraudulent Vehicles were intentionally  
12 designed and manufactured to be out of compliance with applicable state and federal emissions  
13 laws, and failed to fix the defective emission components free of charge.

14 682. Defendants breached the express warranty promising to repair and correct a  
15 manufacturing defect or materials or workmanship of any parts they supplied. Defendants have  
16 not repaired or adjusted, and have been unable to repair or adjust, the Fraudulent Vehicles’  
17 materials and workmanship defects.

18 683. Furthermore, the limited warranty promising to repair and/or correct a  
19 manufacturing defect fails in its essential purpose because the contractual remedy is insufficient  
20 to make Plaintiffs whole and because Defendants have failed and/or have refused to adequately  
21 provide the promised remedies within a reasonable time.

22 684. Accordingly, recovery by Plaintiffs is not restricted to the limited warranty  
23 promising to repair and/or correct a manufacturing defect, and Plaintiffs seek all remedies as  
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1 allowed by law.

2 685. Also, as alleged in more detail herein, at the time Defendants warranted and sold  
3 or leased the Fraudulent Vehicles, they knew that the Fraudulent Vehicles were inherently  
4 defective and did not conform to their warranties; further, Defendants had wrongfully and  
5 fraudulently concealed material facts regarding the Fraudulent Vehicles. Plaintiffs were  
6 therefore induced to purchase or lease the Fraudulent Vehicles under false and/or fraudulent  
7 pretenses.  
8

9 686. Moreover, many of the injuries flowing from the Fraudulent Vehicles cannot be  
10 resolved through the limited remedy of “replacements or adjustments,” as many incidental and  
11 consequential damages have already been suffered because of Defendants’ fraudulent conduct  
12 as alleged herein, and because of their failure and/or continued failure to provide such limited  
13 remedy within a reasonable time, and any limitation on Plaintiffs’ remedies would be  
14 insufficient to make Plaintiffs.  
15

16 687. Finally, because of Defendants’ breach of warranty as set forth herein, Plaintiffs  
17 assert, as additional and/or alternative remedies, the revocation of acceptance of the goods and  
18 the return to Plaintiffs of the purchase or lease price of all Fraudulent Vehicles currently owned  
19 or leased, and for such other incidental and consequential damages as allowed.  
20

21 688. Defendants were provided notice of these issues by numerous complaints filed  
22 against them, including the instant Complaint, within a reasonable amount of time after Fiat  
23 Chrysler was accused by the EPA and CARB of using a defeat device in the Fraudulent  
24 Vehicles to evade clean air standards.  
25

26 689. As a direct and proximate result of Defendants’ breach of express warranties,  
27 Plaintiffs have been damaged in an amount to be determined at trial.  
28



**INDIANA COUNTS**

**INDIANA COUNT 1  
VIOLATIONS OF THE INDIANA DECEPTIVE CONSUMER SALES ACT  
(Ind. Code § 24-5-0.5-3)  
(On behalf of the Indiana Plaintiffs)**

690. Plaintiffs incorporate by reference each preceding paragraph as though fully set forth herein.

691. Defendants are “person[s]” within the meaning of Ind. Code § 24-5-0.5-2(2) and a “supplier[s]” within the meaning of Ind. Code § 24-5-.05-2(a)(3).

692. Plaintiffs’ purchases of the Fraudulent Vehicles are “consumer transactions” within the meaning of Ind. Code § 24-5-.05-2(a)(1).

693. Indiana’s Deceptive Consumer Sales Act (“Indiana DCSA”) prohibits a person from engaging in a “deceptive act,” which includes representing: “(1) That such subject of a consumer transaction has sponsorship, approval, performance, characteristics, accessories, uses, or benefits that they do not have, or that a person has a sponsorship, approval, status, affiliation, or connection it does not have; (2) That such subject of a consumer transaction is of a particular standard, quality, grade, style or model, if it is not and if the supplier knows or should reasonably know that it is not; ... (7) That the supplier has a sponsorship, approval or affiliation in such consumer transaction that the supplier does not have, and which the supplier knows or should reasonably know that the supplier does not have; ... (c) Any representations on or within a product or its packaging or in advertising or promotional materials which would constitute a deceptive act shall be the deceptive act both of the supplier who places such a representation thereon or therein, or who authored such materials, and such suppliers who shall state orally or in writing that such representation is true if such other supplier shall know or have reason to know that such representation was false.” Ind. Code § 24-5-0.5-3.

1           694. In the course of their business, Defendants concealed and suppressed material facts  
2 concerning the Fraudulent Vehicles. The Defendants installed software in their vehicles that  
3 enabled emissions controls for nitrogen oxide—a pollutant that contributes to health problems and  
4 global warming—to pass EPA emissions testing while at the same time disabling the same controls  
5 during real- world driving. Specifically, the software was designed to cheat emission testing by  
6 showing lower emissions during laboratory testing conditions than actually existed when the  
7 vehicle operated on the road. This deceptive practice enabled Defendants’ vehicles to pass  
8 emission certification tests through deliberately induced lower-than-real-world emissions  
9 readings.  
10

11           695. Plaintiffs had no way of discerning that Defendants’ representations were false  
12 and misleading because Defendants’ defeat device software was extremely sophisticated  
13 technology. Plaintiffs did not and could not unravel Defendants’ deception on their own.  
14

15           696. Defendants thus violated the Act by, at minimum: knowingly representing that the  
16 Fraudulent Vehicles have uses and benefits which they do not have; representing that Fraudulent  
17 Vehicles are of a particular standard, quality, and grade when they are not; advertising Fraudulent  
18 Vehicles with the intent not to sell or lease them as advertised; and representing that the subject of  
19 a transaction involving Fraudulent Vehicles has been supplied in accordance with a previous  
20 representation when it was not; and knowingly making other false representations in a transaction.  
21

22           697. Defendants engaged in misleading, false, unfair or deceptive acts or practices that  
23 violated the Indiana DCSA by installing, failing to disclose and actively concealing the illegal  
24 defeat device and the true cleanliness and performance of the “clean” diesel engine system, by  
25 marketing its vehicles as legal, reliable, environmentally clean, efficient, and of high quality, and  
26 by presenting itself as a reputable manufacturer that valued environmental cleanliness and  
27  
28

1 efficiency, and that stood behind its vehicles after they were sold.

2 698. The Clean Air Act and EPA regulations require that automobiles limit their  
3 emissions output to specified levels. These laws are intended for the protection of public health  
4 and welfare. “Defeat devices” like those in the Fraudulent Vehicles are defined and prohibited  
5 by the Clean Air Act and its regulations. *See* 42 U.S.C. § 7522(a)(3)(B); 40 CFR § 86.1809. By  
6 installing illegal “defeat devices” in the Fraudulent Vehicles and by making those vehicles  
7 available for purchase, Defendants violated federal law and therefore engaged in conduct that  
8 violates the Indiana DCSA.  
9

10 699. Defendants knew the true nature of its “clean” diesel engine system, but concealed  
11 all of that information until recently. Defendants were also aware that it valued profits over  
12 environmental cleanliness, efficiency, and compliance with the law, and that it was  
13 manufacturing, selling, and distributing vehicles throughout the United States that did not  
14 comply with EPA regulations. Defendants concealed this information as well.  
15

16 700. Defendants intentionally and knowingly misrepresented material facts regarding  
17 the Fraudulent Vehicles with intent to mislead Plaintiffs.  
18

19 701. Defendants knew or should have known that their conduct violated the Indiana  
20 DCSA.  
21

22 702. Defendants owed Plaintiffs a duty to disclose the illegality and public health and  
23 safety risks of the Fraudulent Vehicles because they:

24 A. possessed exclusive knowledge that they were manufacturing, selling,  
25 and distributing vehicles throughout the United States that did not comply with EPA  
26 regulations;

27 B. intentionally concealed the foregoing from regulators and Plaintiffs;  
28

1 and/or

2 C. made incomplete representations about the environmental cleanliness  
3 and efficiency of the Fraudulent Vehicles generally, and the use of the defeat device  
4 in particular, while purposefully withholding material facts from Plaintiffs that  
5 contradicted these representations.  
6

7 703. Defendants concealed the illegal defeat device and the true emissions, efficiency,  
8 and performance of the “clean” diesel system, resulting in a raft of negative publicity once the  
9 defects finally began to be disclosed. The value of the Fraudulent Vehicles has therefore greatly  
10 diminished. In light of the stigma attached to those vehicles by Defendants’ conduct, they are  
11 now worth significantly less than they otherwise would be worth.  
12

13 704. Defendants’ fraudulent use of the “defeat device” and its concealment of  
14 the true characteristics of the “clean” diesel engine system were material to Plaintiffs.  
15

16 705. Defendants’ unfair or deceptive acts or practices were likely to and did in fact  
17 deceive regulators and reasonable consumers, including Plaintiffs, about the true environmental  
18 cleanliness and efficiency of Jeep- and Ram-branded vehicles, the quality of the Jeep and Ram  
19 brands, the devaluing of environmental cleanliness and integrity at Fiat Chrysler, and the true  
20 value of the Fraudulent Vehicles.  
21

22 706. Plaintiffs suffered ascertainable loss and actual damages as a direct and proximate  
23 result of Defendants’ misrepresentations and its concealment of and failure to disclose material  
24 information. Plaintiffs who purchased or leased the Fraudulent Vehicles would not have  
25 purchased or leased them at all and/or—if the Fraudulent Vehicles’ true nature had been  
26 disclosed and mitigated, and the Fraudulent Vehicles rendered legal to sell—would have paid  
27 significantly less for them. Plaintiffs also suffered diminished value of their vehicles, as well as  
28

1 lost or diminished use.

2 707. Defendants had an ongoing duty to all their customers to refrain from unfair and  
3 deceptive practices under the Indiana DCSA. All owners of Fraudulent Vehicles suffered  
4 ascertainable loss in the form of the diminished value of their vehicles as a result of Defendants'  
5 deceptive and unfair acts and practices made in the course of Defendants' business.

6 708. Defendants' violations present a continuing risk to Plaintiffs as well as to the  
7 general public. Defendants' unlawful acts and practices complained of herein affect the public  
8 interest.

9 709. As a direct and proximate result of Defendants' violations of the Indiana DCSA,  
10 Plaintiffs have suffered injury-in-fact and/or actual damage.

11 710. Pursuant to Ind. Code § 24-5-0.5-4, Plaintiffs seek monetary relief against  
12 Defendants measured as the greater of (a) actual damages in an amount to be determined at trial  
13 and (b) statutory damages in the amount of \$500 for each Plaintiff, including treble damages up to  
14 \$1,000 for Defendants' willfully deceptive acts.

15 711. Plaintiff also seeks punitive damages based on the outrageousness and recklessness  
16 of the Defendants' conduct and high net worth.

17  
18  
19  
20 **INDIANA COUNT 2**  
21 **BREACH OF IMPLIED WARRANTY OF MERCHANTABILITY**  
22 **(Ind. Code §§ 26-1-2-314 and 26-1-2.1-212)**  
23 **(On behalf of the Indiana Plaintiffs)**

24 712. Plaintiffs reallege and incorporate by reference all allegations of the preceding  
25 paragraphs as though fully set forth herein.

26 713. Defendants are and were at all relevant times "merchants" with respect to motor  
27 vehicles under Ind. Code §§ 26-1-2-104(1) and 26-1-2.1-103(3), and "sellers" of motor vehicles  
28 under § 26-1-2-103(1)(d).

1           714. With respect to leases, Defendants are and were at all relevant times “lessors” of  
2 motor vehicles under Ind. Code § 26-1-2.1-103(1)(p).

3           715. The Fraudulent Vehicles are and were at all relevant times “goods” within the  
4 meaning of Ind. Code §§ 26-1-2-105(1) and 26-1-2.1-103(1)(h).

5           716. A warranty that the Fraudulent Vehicles were in merchantable condition and fit  
6 for the ordinary purpose for which vehicles are used is implied by law pursuant to Ind. Code §§  
7 26-1-2- 10 and 26-1-2.1-212.

8           717. These Fraudulent Vehicles, when sold or leased and at all times thereafter, were  
9 not in merchantable condition and are not fit for the ordinary purpose for which vehicles are  
10 used. Specifically, the Fraudulent Vehicles are inherently defective in that they do not comply  
11 with federal and state emissions standards, rendering certain emissions functions inoperative; and  
12 the “clean” diesel engine system was not adequately designed, manufactured, and tested.  
13

14           718. Defendants were provided notice of these issues by the investigations of the EPA  
15 and individual state regulators, numerous complaints filed against it including the instant  
16 Complaint, and by numerous individual letters and communications sent by Plaintiffs and others  
17 within a reasonable amount of time after the allegations of Fraudulent Vehicle defects became  
18 public.  
19

20           719. As a direct and proximate result of the Defendants’ breach of the implied  
21 warranty of merchantability, Plaintiffs have been damaged in an amount to be proven at trial.  
22

23  
24                           **INDIANA COUNT 3**  
25                           **BREACH OF EXPRESS WARRANTY**  
26                           **(Ind. Code §§ 26-1-2-313 and 26-1-2.1-210)**  
27                           **(On behalf of the Indiana Plaintiffs)**

28           720. Plaintiffs reallege and incorporate by reference all preceding allegations as though  
fully set forth herein.

1           721. Defendants are and were at all relevant times “merchants” with respect to motor  
2 vehicles under Ind. Code §§ 26-1-2-104(1) and 26-1-2.1-103(3), and “sellers” of motor vehicles  
3 under § 26-1-2-103(1)(d).

4           722. With respect to leases, Defendants are and were at all relevant times “lessors” of  
5 motor vehicles under Ind. Code § 26-1-2.1-103(1)(p).

6           723. The Fraudulent Vehicles are and were at all relevant times “goods” within the  
7 meaning of Ind. Code §§ 26-1-2-105(1) and 26-1-2.1-103(1)(h).

8           724. In connection with the purchase or lease of each one of its new vehicles,  
9 Defendants provide an express New Vehicle Limited Warranty (“NVLW”). This NVLW exists to  
10 cover “any repair to correct a manufacturers defect in materials or workmanship.”  
11

12           725. The Clean Air Act requires manufacturers of light-duty vehicles to provide two  
13 federal emission control warranties: a “Performance Warranty” and a “Design and Defect  
14 Warranty.”  
15

16           726. The EPA requires vehicle manufacturers to provide a Performance Warranty with  
17 respect to the vehicles’ emission systems. Thus, FCA also provides an express warranty for its  
18 vehicles through a Federal Emissions Performance Warranty. The Performance Warranty  
19 required by the EPA applies to repairs that are required during the first two years or 24,000  
20 miles, whichever occurs first, when a vehicle fails an emissions test. Under this warranty, certain  
21 major emission control components are covered for the first eight years or 80,000 miles,  
22 whichever comes first. These major emission control components subject to the longer warranty  
23 include the catalytic converters, the electronic emission control unit, and the onboard emission  
24 diagnostic device or computer.  
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26  
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1           727. The EPA requires vehicle manufacturers to issue Design and Defect Warranties  
2 with respect to their vehicles' emission systems. Thus, Defendants also provide an express  
3 warranty for their vehicles through a Federal Emission Control System Defect Warranty. The  
4 Design and Defect Warranty required by the EPA covers repair of emission control or emission  
5 related parts which fail to function or function improperly because of a defect in materials or  
6 workmanship. This warranty provides protection for two years or 24,000 miles, whichever  
7 comes first, or, for the major emission control components, for eight years or 80,000 miles,  
8 whichever comes first.  
9

10           728. As manufacturers of light-duty vehicles, Defendants were required to provide these  
11 warranties to purchasers or lessees of their "clean" diesel vehicles.  
12

13           729. Defendants' warranties formed a basis of the bargain that was reached when  
14 Plaintiffs and purchased or leased their Fraudulent Vehicles equipped with the non-compliant  
15 "clean" diesel engine and emission systems.  
16

17           730. Plaintiffs experienced defects within the warranty period. Despite the  
18 existence of warranties, Defendants failed to inform Plaintiffs that the Fraudulent Vehicles were  
19 intentionally designed and manufactured to be out of compliance with applicable state and  
20 federal emissions laws, and failed to fix the defective emission components free of charge.  
21

22           731. Defendants breached the express warranty promising to repair and correct a  
23 manufacturing defect or materials or workmanship of any parts they supplied. Defendants have  
24 not repaired or adjusted, and have been unable to repair or adjust, the Fraudulent Vehicles'  
25 materials and workmanship defects.  
26

27           732. Furthermore, the limited warranty promising to repair and/or correct a  
28 manufacturing defect fails in its essential purpose because the contractual remedy is insufficient



1 to make Plaintiffs whole and because Defendants have failed and/or have refused to adequately  
2 provide the promised remedies within a reasonable time.

3 733. Accordingly, recovery by Plaintiffs is not restricted to the limited warranty  
4 promising to repair and/or correct a manufacturing defect, and Plaintiffs seek all remedies as  
5 allowed by law.

6  
7 734. Also, as alleged in more detail herein, at the time Defendants warranted and sold  
8 or leased the Fraudulent Vehicles, they knew that the Fraudulent Vehicles were inherently  
9 defective and did not conform to their warranties; further, Defendants had wrongfully and  
10 fraudulently concealed material facts regarding the Fraudulent Vehicles. Plaintiffs were  
11 therefore induced to purchase or lease the Fraudulent Vehicles under false and/or fraudulent  
12 pretenses.

13  
14 735. Moreover, many of the injuries flowing from the Fraudulent Vehicles cannot be  
15 resolved through the limited remedy of “replacements or adjustments,” as many incidental and  
16 consequential damages have already been suffered because of Defendants’ fraudulent conduct  
17 as alleged herein, and because of their failure and/or continued failure to provide such limited  
18 remedy within a reasonable time, and any limitation on Plaintiffs’ remedies would be  
19 insufficient to make Plaintiffs.

20  
21 736. Finally, because of Defendants’ breach of warranty as set forth herein, Plaintiffs  
22 assert, as additional and/or alternative remedies, the revocation of acceptance of the goods and  
23 the return to Plaintiffs of the purchase or lease price of all Fraudulent Vehicles currently owned  
24 or leased, and for such other incidental and consequential damages as allowed.

25  
26 737. Defendants were provided notice of these issues by numerous complaints filed  
27 against them, including the instant Complaint, within a reasonable amount of time after Fiat  
28

1 Chrysler was accused by the EPA and CARB of using a defeat device in the Fraudulent  
 2 Vehicles to evade clean air standards.

3 738. As a direct and proximate result of Defendants' breach of express warranties,  
 4 Plaintiffs have been damaged in an amount to be determined at trial.

### 5 **KANSAS COUNTS**

#### 6 **KANSAS COUNT 1** 7 **VIOLATIONS OF THE KANSAS CONSUMER PROTECTION ACT** 8 **(Kan. Stat. Ann. § 50-623, et seq.)** 9 **(On behalf of the Kansas Plaintiffs)**

10 739. Plaintiffs incorporate by reference each preceding paragraph as though fully set  
 11 forth herein.

12 740. Defendants are "supplier[s]" under the Kansas Consumer Protection Act ("Kansas  
 13 CPA"), Kan. Stat. Ann. § 50-624(l).

14 741. Plaintiffs are "consumers," within the meaning of Kan. Stat. Ann. § 50-624(b),  
 15 who purchased or leased one or more Fraudulent Vehicles.

16 742. The sale of the Fraudulent Vehicles to Plaintiffs was a "consumer transaction"  
 17 within the meaning of Kan. Stat. Ann. § 50-624(c).

18 743. The Kansas CPA states "[n]o supplier shall engage in any deceptive act or practice  
 19 in connection with a consumer transaction," Kan. Stat. Ann. § 50-626(a), and that deceptive acts  
 20 or practices include: (1) knowingly making representations or with reason to know that "(A)  
 21 property or services have sponsorship, approval, accessories, characteristics, ingredients, uses,  
 22 benefits or quantities that they do not have;" and "(D) property or services are of particular  
 23 standard, quality, grade, style or model, if they are of another which differs materially from the  
 24 representation;" "(2) the willful use, in any oral or written representation, of exaggeration,  
 25 falsehood, innuendo or ambiguity as to a material fact;" and "(3) the willful failure to state a  
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 27  
 28

1 material fact, or the willful concealment, suppression or omission of a material fact.” The Kansas  
2 CPA also provides that “[n]o supplier shall engage in any unconscionable act or practice in  
3 connection with a consumer transaction.” Kan. Stat. Ann. § 50-627(a).

4 744. In the course of their business, Defendants concealed and suppressed material facts  
5 concerning the Fraudulent Vehicles. The Defendants installed software in their vehicles that  
6 enabled emissions controls for nitrogen oxide—a pollutant that contributes to health problems and  
7 global warming—to pass EPA emissions testing while at the same time disabling the same controls  
8 during real- world driving. Specifically, the software was designed to cheat emission testing by  
9 showing lower emissions during laboratory testing conditions than actually existed when the  
10 vehicle operated on the road. This deceptive practice enabled Defendants’ vehicles to pass  
11 emission certification tests through deliberately induced lower-than-real-world emissions  
12 readings.  
13

14  
15 745. Plaintiffs had no way of discerning that Defendants’ representations were false  
16 and misleading because Defendants’ defeat device software was extremely sophisticated  
17 technology. Plaintiffs did not and could not unravel Defendants’ deception on their own.  
18

19 746. Defendants thus violated the Act by, at minimum: knowingly representing that the  
20 Fraudulent Vehicles have uses and benefits which they do not have; representing that Fraudulent  
21 Vehicles are of a particular standard, quality, and grade when they are not; advertising Fraudulent  
22 Vehicles with the intent not to sell or lease them as advertised; and representing that the subject of  
23 a transaction involving Fraudulent Vehicles has been supplied in accordance with a previous  
24 representation when it was not; and knowingly making other false representations in a transaction.  
25

26 747. Defendants engaged in misleading, false, unfair or deceptive acts or practices that  
27 violated the Kansas CPA by installing, failing to disclose and actively concealing the illegal  
28

1 defeat device and the true cleanliness and performance of the “clean” diesel engine system, by  
2 marketing its vehicles as legal, reliable, environmentally clean, efficient, and of high quality, and  
3 by presenting itself as a reputable manufacturer that valued environmental cleanliness and  
4 efficiency, and that stood behind its vehicles after they were sold.

5 748. The Clean Air Act and EPA regulations require that automobiles limit their  
6 emissions output to specified levels. These laws are intended for the protection of public health  
7 and welfare. “Defeat devices” like those in the Fraudulent Vehicles are defined and prohibited  
8 by the Clean Air Act and its regulations. *See* 42 U.S.C. § 7522(a)(3)(B); 40 CFR § 86.1809. By  
9 installing illegal “defeat devices” in the Fraudulent Vehicles and by making those vehicles  
10 available for purchase, Defendants violated federal law and therefore engaged in conduct that  
11 violates the Kansas CPA.  
12

13  
14 749. Defendants knew the true nature of its “clean” diesel engine system, but concealed  
15 all of that information until recently. Defendants were also aware that it valued profits over  
16 environmental cleanliness, efficiency, and compliance with the law, and that it was  
17 manufacturing, selling, and distributing vehicles throughout the United States that did not  
18 comply with EPA regulations. Defendants concealed this information as well.  
19

20 750. Defendants intentionally and knowingly misrepresented material facts regarding  
21 the Fraudulent Vehicles with intent to mislead Plaintiffs.  
22

23 751. Defendants knew or should have known that their conduct violated the Kansas  
24 CPA.

25 752. Defendants owed Plaintiffs a duty to disclose the illegality and public health and  
26 safety risks of the Fraudulent Vehicles because they:

27 A. possessed exclusive knowledge that they were manufacturing, selling,  
28

1 and distributing vehicles throughout the United States that did not comply with EPA  
2 regulations;

3 B. intentionally concealed the foregoing from regulators and Plaintiffs;  
4 and/or

5 C. made incomplete representations about the environmental cleanliness  
6 and efficiency of the Fraudulent Vehicles generally, and the use of the defeat device  
7 in particular, while purposefully withholding material facts from Plaintiffs that  
8 contradicted these representations.  
9

10 753. Defendants concealed the illegal defeat device and the true emissions, efficiency,  
11 and performance of the “clean” diesel system, resulting in a raft of negative publicity once the  
12 defects finally began to be disclosed. The value of the Fraudulent Vehicles has therefore greatly  
13 diminished. In light of the stigma attached to those vehicles by Defendants’ conduct, they are  
14 now worth significantly less than they otherwise would be worth.  
15

16 754. Defendants’ fraudulent use of the “defeat device” and its concealment of  
17 the true characteristics of the “clean” diesel engine system were material to Plaintiffs.  
18

19 755. Defendants’ unfair or deceptive acts or practices were likely to and did in fact  
20 deceive regulators and reasonable consumers, including Plaintiffs, about the true environmental  
21 cleanliness and efficiency of Jeep- and Ram-branded vehicles, the quality of the Jeep and Ram  
22 brands, the devaluing of environmental cleanliness and integrity at Fiat Chrysler, and the true  
23 value of the Fraudulent Vehicles.  
24

25 756. Plaintiffs suffered ascertainable loss and actual damages as a direct and proximate  
26 result of Defendants’ misrepresentations and its concealment of and failure to disclose material  
27 information. Plaintiffs who purchased or leased the Fraudulent Vehicles would not have  
28

1 purchased or leased them at all and/or—if the Fraudulent Vehicles’ true nature had been  
2 disclosed and mitigated, and the Fraudulent Vehicles rendered legal to sell—would have paid  
3 significantly less for them. Plaintiffs also suffered diminished value of their vehicles, as well as  
4 lost or diminished use.

5 757. Defendants had an ongoing duty to all their customers to refrain from unfair and  
6 deceptive practices under the Kansas CPA. All owners of Fraudulent Vehicles suffered  
7 ascertainable loss in the form of the diminished value of their vehicles as a result of Defendants’  
8 deceptive and unfair acts and practices made in the course of Defendants’ business.

9 758. Defendants’ violations present a continuing risk to Plaintiffs as well as to the  
10 general public. Defendants’ unlawful acts and practices complained of herein affect the public  
11 interest.

12 759. As a direct and proximate result of Defendants’ violations of the Kansas CPA,  
13 Plaintiffs have suffered injury-in-fact and/or actual damage.

14 760. Pursuant to Kan. Stat. Ann. § 50-634, Plaintiffs seek monetary relief against  
15 Defendants measured as the greater of (a) actual damages in an amount to be determined at trial  
16 and (b) statutory damages in the amount of \$10,000 for each Plaintiff.

17 761. Plaintiff also seeks an order enjoining Defendants’ unfair, unlawful, and/or  
18 deceptive practices, declaratory relief, attorneys’ fees, and any other just and proper relief  
19 available under Kan. Stat. Ann § 50-623, et seq.

**KANSAS COUNT 2**  
**BREACH OF IMPLIED WARRANTY OF MERCHANTABILITY**  
**(Kan. Stat. §§ 84-2-314 and 84-2A-212)**  
**(On behalf of the Kansas Plaintiffs)**

762. Plaintiffs reallege and incorporate by reference all allegations of the preceding paragraphs as though fully set forth herein.

763. Defendants are and were at all relevant times “merchants” with respect to motor vehicles under Kan. Stat. §§ 84-2-104(1) and 84-2A-103(3), and “sellers” of motor vehicles under § 84-2-103(1)(d).

764. With respect to leases, Defendants are and were at all relevant times “lessors” of motor vehicles under Kan. Stat. § 84-2A-103(1)(p).

765. The Fraudulent Vehicles are and were at all relevant times “goods” within the meaning of Kan. Stat. §§ 84-2-105(1) and 84-2A-103(1)(h).

766. A warranty that the Fraudulent Vehicles were in merchantable condition and fit for the ordinary purpose for which vehicles are used is implied by law pursuant to Kan. Stat. §§ 84-2-314 and 84-2A-212.

767. These Fraudulent Vehicles, when sold or leased and at all times thereafter, were not in merchantable condition and are not fit for the ordinary purpose for which vehicles are used. Specifically, the Fraudulent Vehicles are inherently defective in that they do not comply with federal and state emissions standards, rendering certain emissions functions inoperative; and the “clean” diesel engine system was not adequately designed, manufactured, and tested.

768. Defendants were provided notice of these issues by the investigations of the EPA and individual state regulators, numerous complaints filed against it including the instant Complaint, and by numerous individual letters and communications sent by Plaintiffs and others

1 within a reasonable amount of time after the allegations of Fraudulent Vehicle defects became  
2 public.

3 769. As a direct and proximate result of the Defendants' breach of the implied  
4 warranty of merchantability, Plaintiffs have been damaged in an amount to be proven at trial.

5  
6 **KANSAS COUNT 3**  
7 **BREACH OF EXPRESS WARRANTY**  
8 **(Kan. Stat. §§ 84-2-314 and 84-2A-210)**  
9 **(On behalf of the Kansas Plaintiffs)**

10 770. Plaintiffs reallege and incorporate by reference all preceding allegations as though  
11 fully set forth herein.

12 771. Defendants are and were at all relevant times "merchants" with respect to motor  
13 vehicles under Kan. Stat. §§ 84-2-104(1) and 84-2A-103(3), and "sellers" of motor vehicles  
14 under § 84-2-103(1)(d).

15 772. With respect to leases, Defendants are and were at all relevant times "lessors" of  
16 motor vehicles under Kan. Stat. § 84-2A-103(1)(p).

17 773. The Fraudulent Vehicles are and were at all relevant times "goods" within the  
18 meaning of Kan. Stat. §§ 84-2-105(1) and 84-2A-103(1)(h).

19 774. In connection with the purchase or lease of each one of its new vehicles,  
20 Defendants provide an express New Vehicle Limited Warranty ("NVLW"). This NVLW exists  
21 to cover "any repair to correct a manufacturers defect in materials or workmanship."

22 775. The Clean Air Act requires manufacturers of light-duty vehicles to provide two  
23 federal emission control warranties: a "Performance Warranty" and a "Design and Defect  
24 Warranty."  
25

26 776. The EPA requires vehicle manufacturers to provide a Performance Warranty with  
27 respect to the vehicles' emission systems. Thus, FCA also provides an express warranty for its  
28



1 vehicles through a Federal Emissions Performance Warranty. The Performance Warranty  
2 required by the EPA applies to repairs that are required during the first two years or 24,000  
3 miles, whichever occurs first, when a vehicle fails an emissions test. Under this warranty, certain  
4 major emission control components are covered for the first eight years or 80,000 miles,  
5 whichever comes first. These major emission control components subject to the longer warranty  
6 include the catalytic converters, the electronic emission control unit, and the onboard emission  
7 diagnostic device or computer.  
8

9       777. The EPA requires vehicle manufacturers to issue Design and Defect Warranties  
10 with respect to their vehicles' emission systems. Thus, Defendants also provide an express  
11 warranty for their vehicles through a Federal Emission Control System Defect Warranty. The  
12 Design and Defect Warranty required by the EPA covers repair of emission control or emission  
13 related parts which fail to function or function improperly because of a defect in materials or  
14 workmanship. This warranty provides protection for two years or 24,000 miles, whichever  
15 comes first, or, for the major emission control components, for eight years or 80,000 miles,  
16 whichever comes first.  
17  
18

19       778. As manufacturers of light-duty vehicles, Defendants were required to provide these  
20 warranties to purchasers or lessees of their "clean" diesel vehicles.

21       779. Defendants' warranties formed a basis of the bargain that was reached when  
22 Plaintiffs and purchased or leased their Fraudulent Vehicles equipped with the non-compliant  
23 "clean" diesel engine and emission systems.  
24

25       780. Plaintiffs experienced defects within the warranty period. Despite the existence of  
26 warranties, Defendants failed to inform Plaintiffs that the Fraudulent Vehicles were intentionally  
27  
28

1 designed and manufactured to be out of compliance with applicable state and federal emissions  
2 laws, and failed to fix the defective emission components free of charge.

3 781. Defendants breached the express warranty promising to repair and correct a  
4 manufacturing defect or materials or workmanship of any parts they supplied. Defendants have  
5 not repaired or adjusted, and have been unable to repair or adjust, the Fraudulent Vehicles'  
6 materials and workmanship defects.

7  
8 782. Furthermore, the limited warranty promising to repair and/or correct a  
9 manufacturing defect fails in its essential purpose because the contractual remedy is insufficient  
10 to make Plaintiffs whole and because Defendants have failed and/or have refused to adequately  
11 provide the promised remedies within a reasonable time.

12  
13 783. Accordingly, recovery by Plaintiffs is not restricted to the limited warranty  
14 promising to repair and/or correct a manufacturing defect, and Plaintiffs seek all remedies as  
15 allowed by law.

16  
17 784. Also, as alleged in more detail herein, at the time Defendants warranted and sold  
18 or leased the Fraudulent Vehicles, they knew that the Fraudulent Vehicles were inherently  
19 defective and did not conform to their warranties; further, Defendants had wrongfully and  
20 fraudulently concealed material facts regarding the Fraudulent Vehicles. Plaintiffs were  
21 therefore induced to purchase or lease the Fraudulent Vehicles under false and/or fraudulent  
22 pretenses.

23  
24 785. Moreover, many of the injuries flowing from the Fraudulent Vehicles cannot be  
25 resolved through the limited remedy of "replacements or adjustments," as many incidental and  
26 consequential damages have already been suffered because of Defendants' fraudulent conduct  
27 as alleged herein, and because of their failure and/or continued failure to provide such limited  
28

1 remedy within a reasonable time, and any limitation on Plaintiffs' remedies would be  
 2 insufficient to make Plaintiffs.

3 786. Finally, because of Defendants' breach of warranty as set forth herein, Plaintiffs  
 4 assert, as additional and/or alternative remedies, the revocation of acceptance of the goods and  
 5 the return to Plaintiffs of the purchase or lease price of all Fraudulent Vehicles currently owned  
 6 or leased, and for such other incidental and consequential damages as allowed.

7  
 8 787. Defendants were provided notice of these issues by numerous complaints filed  
 9 against them, including the instant Complaint, within a reasonable amount of time after Fiat  
 10 Chrysler was accused by the EPA and CARB of using a defeat device in the Fraudulent  
 11 Vehicles to evade clean air standards.

12  
 13 788. As a direct and proximate result of Defendants' breach of express warranties,  
 14 Plaintiffs have been damaged in an amount to be determined at trial.

### 15 **KENTUCKY COUNTS**

#### 16 **KENTUCKY COUNT 1** 17 **VIOLATIONS OF THE KENTUCKY CONSUMER PROTECTION ACT** 18 **(Ky. Rev. Stat. § 367.110, et seq.)** 19 **(On behalf of the Kentucky Plaintiffs)**

20 789. Plaintiffs incorporate by reference each preceding paragraph as though fully set  
 21 forth herein.

22 790. Defendants and Plaintiffs are "persons" within the meaning of the Ky. Rev. Stat. §  
 23 367.110(1).

24 791. Defendants engaged in "trade" or "commerce" within the meaning of Ky. Rev.  
 25 Stat. § 367.110(2).

26 792. The Kentucky Consumer Protection Act ("Kentucky CPA") makes unlawful  
 27 "[u]nfair, false, misleading, or deceptive acts or practices in the conduct of any trade or commerce  
 28

1 ....” Ky. Rev. Stat. § 367.170(1). Defendants participated in misleading, false, or deceptive acts  
2 that violated the Kentucky CPA. By failing to disclose and by actively concealing the “defeat  
3 device” and the true cleanliness and performance of the “clean” diesel engine system, by marketing  
4 its vehicles as safe, reliable, environmentally clean, efficient, and of high quality, and by presenting  
5 itself as a reputable manufacturer that valued safety, environmental cleanliness, and efficiency,  
6 and stood behind its vehicles after they were sold, Defendants engaged in deceptive business  
7 practices prohibited by the Kentucky CPA.  
8

9 793. In the course of their business, Defendants concealed and suppressed material facts  
10 concerning the Fraudulent Vehicles. The Defendants installed software in their vehicles that  
11 enabled emissions controls for nitrogen oxide—a pollutant that contributes to health problems and  
12 global warming—to pass EPA emissions testing while at the same time disabling the same controls  
13 during real- world driving. Specifically, the software was designed to cheat emission testing by  
14 showing lower emissions during laboratory testing conditions than actually existed when the  
15 vehicle operated on the road. This deceptive practice enabled Defendants’ vehicles to pass  
16 emission certification tests through deliberately induced lower-than-real-world emissions  
17 readings.  
18  
19

20 794. Plaintiffs had no way of discerning that Defendants’ representations were false  
21 and misleading because Defendants’ defeat device software was extremely sophisticated  
22 technology. Plaintiffs did not and could not unravel Defendants’ deception on their own.  
23

24 795. Defendants thus violated the Act by, at minimum: knowingly representing that  
25 Fraudulent Vehicles have uses and benefits which they do not have; representing that Fraudulent  
26 Vehicles are of a particular standard, quality, and grade when they are not; advertising Fraudulent  
27 Vehicles with the intent not to sell or lease them as advertised; and representing that the subject of  
28

1 a transaction involving Fraudulent Vehicles has been supplied in accordance with a previous  
2 representation when it was not; and knowingly making other false representations in a transaction.

3 796. Defendants engaged in misleading, false, unfair or deceptive acts or practices that  
4 violated the Kentucky CPA by installing, failing to disclose and actively concealing the illegal  
5 defeat device and the true cleanliness and performance of the “clean” diesel engine system, by  
6 marketing its vehicles as legal, reliable, environmentally clean, efficient, and of high quality, and  
7 by presenting itself as a reputable manufacturer that valued environmental cleanliness and  
8 efficiency, and that stood behind its vehicles after they were sold.

9  
10 797. The Clean Air Act and EPA regulations require that automobiles limit their  
11 emissions output to specified levels. These laws are intended for the protection of public health  
12 and welfare. “Defeat devices” like those in the Fraudulent Vehicles are defined and prohibited  
13 by the Clean Air Act and its regulations. *See* 42 U.S.C. § 7522(a)(3)(B); 40 CFR § 86.1809. By  
14 installing illegal “defeat devices” in the Fraudulent Vehicles and by making those vehicles  
15 available for purchase, Defendants violated federal law and therefore engaged in conduct that  
16 violates the Kentucky CPA.

17  
18 798. Defendants knew the true nature of its “clean” diesel engine system, but concealed  
19 all of that information until recently. Defendants were also aware that it valued profits over  
20 environmental cleanliness, efficiency, and compliance with the law, and that it was  
21 manufacturing, selling, and distributing vehicles throughout the United States that did not  
22 comply with EPA regulations. Defendants concealed this information as well.

23  
24 799. Defendants intentionally and knowingly misrepresented material facts regarding  
25 the Fraudulent Vehicles with intent to mislead Plaintiffs.

26  
27 800. Defendants knew or should have known that their conduct violated the Kentucky  
28

1 CPA.

2 801. Defendants owed Plaintiffs a duty to disclose the illegality and public health and  
3 safety risks of the Fraudulent Vehicles because they:

4 A. possessed exclusive knowledge that they were manufacturing, selling,  
5 and distributing vehicles throughout the United States that did not comply with  
6 EPA regulations;

8 B. intentionally concealed the foregoing from regulators and Plaintiffs;  
9 and/or

10 C. made incomplete representations about the environmental cleanliness  
11 and efficiency of the Fraudulent Vehicles generally, and the use of the defeat device  
12 in particular, while purposefully withholding material facts from Plaintiffs that  
13 contradicted these representations.  
14

15 802. Defendants concealed the illegal defeat device and the true emissions, efficiency,  
16 and performance of the “clean” diesel system, resulting in a raft of negative publicity once the  
17 defects finally began to be disclosed. The value of the Fraudulent Vehicles has therefore  
18 greatly diminished. In light of the stigma attached to those vehicles by Defendants’ conduct,  
19 they are now worth significantly less than they otherwise would be worth.  
20

21 803. Defendants’ fraudulent use of the “defeat device” and its concealment of  
22 the true characteristics of the “clean” diesel engine system were material to Plaintiffs.  
23

24 804. Defendants’ unfair or deceptive acts or practices were likely to and did in fact  
25 deceive regulators and reasonable consumers, including Plaintiffs, about the true environmental  
26 cleanliness and efficiency of Jeep- and Ram-branded vehicles, the quality of the Jeep and Ram  
27 brands, the devaluing of environmental cleanliness and integrity at Fiat Chrysler, and the true  
28

1 value of the Fraudulent Vehicles.

2 805. Plaintiffs suffered ascertainable loss and actual damages as a direct and proximate  
3 result of Defendants' misrepresentations and its concealment of and failure to disclose material  
4 information. Plaintiffs who purchased or leased the Fraudulent Vehicles would not have  
5 purchased or leased them at all and/or—if the Fraudulent Vehicles' true nature had been  
6 disclosed and mitigated, and the Fraudulent Vehicles rendered legal to sell—would have paid  
7 significantly less for them. Plaintiffs also suffered diminished value of their vehicles, as well as  
8 lost or diminished use.

10 806. Defendants had an ongoing duty to all their customers to refrain from unfair and  
11 deceptive practices under the Kentucky CPA. All owners of Fraudulent Vehicles suffered  
12 ascertainable loss in the form of the diminished value of their vehicles as a result of Defendants'  
13 deceptive and unfair acts and practices made in the course of Defendants' business.

15 807. Defendants' violations present a continuing risk to Plaintiffs as well as to the  
16 general public. Defendants' unlawful acts and practices complained of herein affect the public  
17 interest.

19 808. As a direct and proximate result of Defendants' violations of the Kentucky CPA,  
20 Plaintiffs have suffered injury-in-fact and/or actual damage.

22 809. Accordingly, Plaintiffs seek their actual damages, punitive damages, an order  
23 enjoining Defendants' deceptive acts or practices, costs of Court, attorney's fees, and all other  
24 appropriate and available remedies under the Nevada Deceptive Trade Practices Act.

**KENTUCKY COUNT 2**  
**BREACH OF IMPLIED WARRANTY OF MERCHANTABILITY**  
**(Ky. Rev. Stat. §§ 335.2-314 and 355.2A-212)**  
**(On behalf of Kentucky Plaintiffs)**

810. Plaintiffs reallege and incorporate by reference all allegations of the preceding paragraphs as though fully set forth herein.

811. Defendants are and were at all relevant times “merchants” with respect to motor vehicles under Ky. Rev. Stat. §§ 355.2-104(1) and 355.2A-103(3), and “sellers” of motor vehicles under § 355.2-103(1)(d).

812. With respect to leases, Defendants are and were at all relevant times “lessors” of motor vehicles under Ky. Rev. Stat. § 355.2A-103(1)(p).

813. The Fraudulent Vehicles are and were at all relevant times “goods” within the meaning of Ky. Rev. Stat. §§ 355.2-105(1) and 355.2A-103(1)(h).

814. A warranty that the Fraudulent Vehicles were in merchantable condition and fit for the ordinary purpose for which vehicles are used is implied by law pursuant to Ky. Rev. Stat. §§ 335.2-314 and 355.2A-212.

815. These Fraudulent Vehicles, when sold or leased and at all times thereafter, were not in merchantable condition and are not fit for the ordinary purpose for which vehicles are used. Specifically, the Fraudulent Vehicles are inherently defective in that they do not comply with federal and state emissions standards, rendering certain emissions functions inoperative; and the “clean” diesel engine system was not adequately designed, manufactured, and tested.

816. Defendants were provided notice of these issues by the investigations of the EPA and individual state regulators, numerous complaints filed against it including the instant Complaint, and by numerous individual letters and communications sent by Plaintiffs and others



1 within a reasonable amount of time after the allegations of Fraudulent Vehicle defects became  
2 public.

3 817. As a direct and proximate result of the Defendants' breach of the implied  
4 warranty of merchantability, Plaintiffs have been damaged in an amount to be proven at trial.

5  
6 **KENTUCKY COUNT 3**  
7 **BREACH OF EXPRESS WARRANTY**  
8 **(Ky. Rev. Stat. §§ 335.2-313 and 355.2A-210)**  
9 **(On behalf of the Kentucky Plaintiffs)**

10 818. Plaintiffs reallege and incorporate by reference all preceding allegations as though  
11 fully set forth herein.

12 819. Defendants are and were at all relevant times "merchants" with respect to motor  
13 vehicles under Ky. Rev. Stat. §§ 355.2-104(1) and 355.2A-103(3), and "sellers" of motor  
14 vehicles under § 355.2-103(1)(d).

15 820. With respect to leases, Defendants are and were at all relevant times "lessors" of  
16 motor vehicles under Ky. Rev. Stat. § 355.2A-103(1)(p).

17 821. The Fraudulent Vehicles are and were at all relevant times "goods" within the  
18 meaning of Ky. Rev. Stat. §§ 355.2-105(1) and 355.2A-103(1)(h).

19 822. In connection with the purchase or lease of each one of its new vehicles,  
20 Defendants provide an express New Vehicle Limited Warranty ("NVLW"). This NVLW exists  
21 to cover "any repair to correct a manufacturers defect in materials or workmanship."  
22

23 823. The Clean Air Act requires manufacturers of light-duty vehicles to provide two  
24 federal emission control warranties: a "Performance Warranty" and a "Design and Defect  
25 Warranty."  
26  
27  
28

1           824. The EPA requires vehicle manufacturers to provide a Performance Warranty with  
2 respect to the vehicles' emission systems. Thus, FCA also provides an express warranty for its  
3 vehicles through a Federal Emissions Performance Warranty. The Performance Warranty  
4 required by the EPA applies to repairs that are required during the first two years or 24,000  
5 miles, whichever occurs first, when a vehicle fails an emissions test. Under this warranty, certain  
6 major emission control components are covered for the first eight years or 80,000 miles,  
7 whichever comes first. These major emission control components subject to the longer warranty  
8 include the catalytic converters, the electronic emission control unit, and the onboard emission  
9 diagnostic device or computer.  
10

11           825. The EPA requires vehicle manufacturers to issue Design and Defect Warranties  
12 with respect to their vehicles' emission systems. Thus, Defendants also provide an express  
13 warranty for their vehicles through a Federal Emission Control System Defect Warranty. The  
14 Design and Defect Warranty required by the EPA covers repair of emission control or emission  
15 related parts which fail to function or function improperly because of a defect in materials or  
16 workmanship. This warranty provides protection for two years or 24,000 miles, whichever  
17 comes first, or, for the major emission control components, for eight years or 80,000 miles,  
18 whichever comes first.  
19  
20

21           826. As manufacturers of light-duty vehicles, Defendants were required to provide these  
22 warranties to purchasers or lessees of their "clean" diesel vehicles.  
23

24           827. Defendants' warranties formed a basis of the bargain that was reached when  
25 Plaintiffs purchased or leased their Fraudulent Vehicles equipped with the non-compliant  
26 "clean" diesel engine and emission systems.  
27

28           828. Plaintiffs experienced defects within the warranty period. Despite the

1 existence of warranties, Defendants failed to inform Plaintiffs that the Fraudulent Vehicles were  
2 intentionally designed and manufactured to be out of compliance with applicable state and  
3 federal emissions laws, and failed to fix the defective emission components free of charge.

4 829. Defendants breached the express warranty promising to repair and correct a  
5 manufacturing defect or materials or workmanship of any parts they supplied. Defendants have  
6 not repaired or adjusted, and have been unable to repair or adjust, the Fraudulent Vehicles'  
7 materials and workmanship defects.  
8

9 830. Furthermore, the limited warranty promising to repair and/or correct a  
10 manufacturing defect fails in its essential purpose because the contractual remedy is insufficient  
11 to make Plaintiffs whole and because Defendants have failed and/or have refused to adequately  
12 provide the promised remedies within a reasonable time.  
13

14 831. Accordingly, recovery by Plaintiffs is not restricted to the limited warranty  
15 promising to repair and/or correct a manufacturing defect, and Plaintiffs seek all remedies as  
16 allowed by law.  
17

18 832. Also, as alleged in more detail herein, at the time Defendants warranted and sold  
19 or leased the Fraudulent Vehicles, they knew that the Fraudulent Vehicles were inherently  
20 defective and did not conform to their warranties; further, Defendants had wrongfully and  
21 fraudulently concealed material facts regarding the Fraudulent Vehicles. Plaintiffs were  
22 therefore induced to purchase or lease the Fraudulent Vehicles under false and/or fraudulent  
23 pretenses.  
24

25 833. Moreover, many of the injuries flowing from the Fraudulent Vehicles cannot be  
26 resolved through the limited remedy of "replacements or adjustments," as many incidental and  
27 consequential damages have already been suffered because of Defendants' fraudulent conduct  
28

1 as alleged herein, and because of their failure and/or continued failure to provide such limited  
 2 remedy within a reasonable time, and any limitation on Plaintiffs' remedies would be  
 3 insufficient to make Plaintiffs.

4 834. Finally, because of Defendants' breach of warranty as set forth herein, Plaintiffs  
 5 assert, as additional and/or alternative remedies, the revocation of acceptance of the goods and  
 6 the return to Plaintiffs of the purchase or lease price of all Fraudulent Vehicles currently owned  
 7 or leased, and for such other incidental and consequential damages as allowed.

8 835. Defendants were provided notice of these issues by numerous complaints filed  
 9 against them, including the instant Complaint, within a reasonable amount of time after Fiat  
 10 Chrysler was accused by the EPA and CARB of using a defeat device in the Fraudulent  
 11 Vehicles to evade clean air standards.

12 836. As a direct and proximate result of Defendants' breach of express warranties,  
 13 Plaintiffs have been damaged in an amount to be determined at trial.

#### 14 **LOUISIANA COUNTS**

#### 15 **LOUISIANA COUNT 1** 16 **VIOLATIONS OF THE LOUISIANA UNFAIR TRADE** 17 **PRACTICES AND CONSUMER PROTECTION LAW** 18 **(La. Rev. Stat. § 51:1401, *et seq.*)** 19 **(On behalf of the Louisiana Plaintiffs)**

20 837. Plaintiffs incorporate by reference each preceding paragraph as though fully set  
 21 forth herein.

22 838. Defendants and Plaintiffs, are "persons" within the meaning of the La. Rev. Stat. §  
 23 51:1402(8).

24 839. Plaintiffs are "consumers" within the meaning of La. Rev. Stat. § 51:1402(1).  
 25  
 26  
 27  
 28

1           840. Defendants engaged in “trade” or “commerce” within the meaning of La. Rev.  
2 Stat. § 51:1402(10).

3           841. The Louisiana Unfair Trade Practices and Consumer Protection Law (“Louisiana  
4 CPL”) makes unlawful “deceptive acts or practices in the conduct of any trade or commerce.” La.  
5 Rev. Stat. § 51:1405(A). Defendants participated in misleading, false, or deceptive acts that  
6 violated the Louisiana CPL.  
7

8           842. In the course of their business, Defendants concealed and suppressed material facts  
9 concerning the Fraudulent Vehicles. The Defendants installed software in their vehicles that  
10 enabled emissions controls for nitrogen oxide—a pollutant that contributes to health problems and  
11 global warming—to pass EPA emissions testing while at the same time disabling the same controls  
12 during real- world driving. Specifically, the software was designed to cheat emission testing by  
13 showing lower emissions during laboratory testing conditions than actually existed when the  
14 vehicle operated on the road. This deceptive practice enabled Defendants’ vehicles to pass  
15 emission certification tests through deliberately induced lower-than-real-world emissions  
16 readings.  
17  
18

19           843. Plaintiffs had no way of discerning that Defendants’ representations were false  
20 and misleading because Defendants’ defeat device software was extremely sophisticated  
21 technology. Plaintiffs did not and could not unravel Defendants’ deception on their own.  
22

23           844. Defendants thus violated the Act by, at minimum: knowingly representing that the  
24 Fraudulent Vehicles have uses and benefits which they do not have; representing that Fraudulent  
25 Vehicles are of a particular standard, quality, and grade when they are not; advertising Fraudulent  
26 Vehicles with the intent not to sell or lease them as advertised; and representing that the subject of  
27 a transaction involving Fraudulent Vehicles has been supplied in accordance with a previous  
28

1 representation when it was not; and knowingly making other false representations in a transaction.

2 845. Defendants engaged in misleading, false, unfair or deceptive acts or practices that  
3 violated the Louisiana CPL by installing, failing to disclose and actively concealing the illegal  
4 defeat device and the true cleanliness and performance of the “clean” diesel engine system, by  
5 marketing its vehicles as legal, reliable, environmentally clean, efficient, and of high quality, and  
6 by presenting itself as a reputable manufacturer that valued environmental cleanliness and  
7 efficiency, and that stood behind its vehicles after they were sold.  
8

9 846. The Clean Air Act and EPA regulations require that automobiles limit their  
10 emissions output to specified levels. These laws are intended for the protection of public health  
11 and welfare. “Defeat devices” like those in the Fraudulent Vehicles are defined and prohibited  
12 by the Clean Air Act and its regulations. *See* 42 U.S.C. § 7522(a)(3)(B); 40 CFR § 86.1809. By  
13 installing illegal “defeat devices” in the Fraudulent Vehicles and by making those vehicles  
14 available for purchase, Defendants violated federal law and therefore engaged in conduct that  
15 violates the Louisiana CPL.  
16  
17

18 847. Defendants knew the true nature of its “clean” diesel engine system, but concealed  
19 all of that information until recently. Defendants were also aware that it valued profits over  
20 environmental cleanliness, efficiency, and compliance with the law, and that it was  
21 manufacturing, selling, and distributing vehicles throughout the United States that did not  
22 comply with EPA regulations. Defendants concealed this information as well.  
23

24 848. Defendants intentionally and knowingly misrepresented material facts regarding  
25 the Fraudulent Vehicles with intent to mislead Plaintiffs.

26 849. Defendants knew or should have known that their conduct violated the Louisiana  
27 CPL.  
28

1           850. Defendants owed Plaintiffs a duty to disclose the illegality and public health and  
2 safety risks of the Fraudulent Vehicles because they:

3           A. possessed exclusive knowledge that they were manufacturing, selling,  
4 and distributing vehicles throughout the United States that did not comply with EPA  
5 regulations;

6           B. intentionally concealed the foregoing from regulators and Plaintiffs;  
7 and/or  
8

9           C. made incomplete representations about the environmental cleanliness  
10 and efficiency of the Fraudulent Vehicles generally, and the use of the defeat device  
11 in particular, while purposefully withholding material facts from Plaintiffs that  
12 contradicted these representations.  
13

14           851. Defendants concealed the illegal defeat device and the true emissions, efficiency,  
15 and performance of the “clean” diesel system, resulting in a raft of negative publicity once the  
16 defects finally began to be disclosed. The value of the Fraudulent Vehicles has therefore greatly  
17 diminished. In light of the stigma attached to those vehicles by Defendants’ conduct, they are  
18 now worth significantly less than they otherwise would be worth.  
19

20           852. Defendants’ fraudulent use of the “defeat device” and its concealment of  
21 the true characteristics of the “clean” diesel engine system were material to Plaintiffs.  
22

23           853. Defendants’ unfair or deceptive acts or practices were likely to and did in fact  
24 deceive regulators and reasonable consumers, including Plaintiffs, about the true environmental  
25 cleanliness and efficiency of Jeep- and Ram-branded vehicles, the quality of the Jeep and Ram  
26 brands, the devaluing of environmental cleanliness and integrity at Fiat Chrysler, and the true  
27 value of the Fraudulent Vehicles.  
28

1           854. Plaintiffs suffered ascertainable loss and actual damages as a direct and proximate  
2 result of Defendants' misrepresentations and its concealment of and failure to disclose material  
3 information. Plaintiffs who purchased or leased the Fraudulent Vehicles would not have  
4 purchased or leased them at all and/or—if the Fraudulent Vehicles' true nature had been  
5 disclosed and mitigated, and the Fraudulent Vehicles rendered legal to sell—would have paid  
6 significantly less for them. Plaintiffs also suffered diminished value of their vehicles, as well as  
7 lost or diminished use.

9           855. Defendants had an ongoing duty to all their customers to refrain from unfair and  
10 deceptive practices under the Louisiana CPL. All owners of Fraudulent Vehicles suffered  
11 ascertainable loss in the form of the diminished value of their vehicles as a result of Defendants'  
12 deceptive and unfair acts and practices made in the course of Defendants' business.

14           856. Defendants' violations present a continuing risk to Plaintiffs as well as to the  
15 general public. Defendants' unlawful acts and practices complained of herein affect the public  
16 interest.

18           857. As a direct and proximate result of Defendants' violations of the Louisiana CPL,  
19 Plaintiffs have suffered injury-in-fact and/or actual damage.

20           858. Pursuant to La. Rev. Stat. § 51:1409, Plaintiffs seek to recover actual damages in  
21 an amount to be determined at trial; treble damages for Defendants' knowing violations of the  
22 Louisiana CPL; an order enjoining Defendants' unfair, unlawful, and/or deceptive practices;  
23 declaratory relief; attorneys' fees; and any other just and proper relief available under La. Rev.  
24 Stat. § 51:1409.  
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**LOUISIANA COUNT 2**  
**BREACH OF IMPLIED WARRANTY OF MERCHANTABILITY/**  
**WARRANTY AGAINST REDHIBITORY DEFECTS**  
**(La. Civ. Code Art. 2520, 2524)**

859. Defendants are and were at all relevant times merchants with respect to motor vehicles.

860. A warranty that the Fraudulent Vehicles were in merchantable condition is implied by law in the instant transactions. These Fraudulent Vehicles, when sold and at all times thereafter, were not in merchantable condition and are not fit for the ordinary purpose for which cars are used. Specifically, the Fraudulent Vehicles are inherently defective in that they do not comply with federal and state emissions standards, rendering certain safety and emissions functions inoperative; and the “clean” diesel engine system was not adequately designed, manufactured, and tested.

861. Defendants were provided notice of these issues by the investigations of the EPA and individual state regulators, numerous complaints filed against it including the instant complaint, and by numerous individual letters and communications sent by Plaintiffs and other Plaintiffs before or within a reasonable amount of time after the allegations of Fraudulent Vehicle defects became public.

862. As a direct and proximate result of Defendants’ breach of the warranties of merchantability, Plaintiffs have been damaged in an amount to be proven at trial.

**NEVADA COUNTS**

**NEVADA COUNT 1  
VIOLATIONS OF THE NEVADA DECEPTIVE  
TRADE PRACTICES ACT  
(Nev. Rev. Stat. § 598.0903, *et seq.*)  
(On behalf of the Nevada Plaintiffs)**

863. Plaintiffs incorporate by reference each preceding paragraph as though fully set forth herein.

864. The Nevada Deceptive Trade Practices Act (“Nevada DTPA”), NEV. REV. STAT. § 598.0903, *et seq.* prohibits deceptive trade practices. NEV. REV. STAT. § 598.0915 provides that a person engages in a “deceptive trade practice” if, in the course of business or occupation, the person: “5. Knowingly makes a false representation as to the characteristics, ingredients, uses, benefits, alterations or quantities of goods or services for sale or lease or a false representation as to the sponsorship, approval, status, affiliation or connection of a person therewith”; “7. Represents that goods or services for sale or lease are of a particular standard, quality or grade, or that such goods are of a particular style or model, if he or she knows or should know that they are of another standard, quality, grade, style or model”; “9. Advertises goods or services with intent not to sell or lease them as advertised”; or “15. Knowingly makes any other false representation in a transaction.”

865. In the course of their business, Defendants concealed and suppressed material facts concerning the Fraudulent Vehicles. The Defendants installed software in their vehicles that enabled emissions controls for nitrogen oxide—a pollutant that contributes to health problems and global warming—to pass EPA emissions testing while at the same time disabling the same controls during real- world driving. Specifically, the software was designed to cheat emission testing by showing lower emissions during laboratory testing conditions than actually existed when the vehicle operated on the road. This deceptive practice enabled Defendants’ vehicles to pass

1 emission certification tests through deliberately induced lower-than-real-world emissions  
2 readings.

3 866. Plaintiffs had no way of discerning that Defendants' representations were false  
4 and misleading because Defendants' defeat device software was extremely sophisticated  
5 technology. Plaintiffs did not and could not unravel Defendants' deception on their own.  
6

7 867. Defendants thus violated the Act by, at minimum: knowingly representing that the  
8 Fraudulent Vehicles have uses and benefits which they do not have; representing that Fraudulent  
9 Vehicles are of a particular standard, quality, and grade when they are not; advertising Fraudulent  
10 Vehicles with the intent not to sell or lease them as advertised; and representing that the subject of  
11 a transaction involving Fraudulent Vehicles has been supplied in accordance with a previous  
12 representation when it was not; and knowingly making other false representations in a transaction.  
13

14 868. Defendants engaged in misleading, false, unfair or deceptive acts or practices that  
15 violated the Nevada DTPA by installing, failing to disclose and actively concealing the illegal  
16 defeat device and the true cleanliness and performance of the "clean" diesel engine system, by  
17 marketing its vehicles as legal, reliable, environmentally clean, efficient, and of high quality, and  
18 by presenting itself as a reputable manufacturer that valued environmental cleanliness and  
19 efficiency, and that stood behind its vehicles after they were sold.  
20

21 869. The Clean Air Act and EPA regulations require that automobiles limit their  
22 emissions output to specified levels. These laws are intended for the protection of public health  
23 and welfare. "Defeat devices" like those in the Fraudulent Vehicles are defined and prohibited  
24 by the Clean Air Act and its regulations. *See* 42 U.S.C. § 7522(a)(3)(B); 40 CFR § 86.1809. By  
25 installing illegal "defeat devices" in the Fraudulent Vehicles and by making those vehicles  
26 available for purchase, Defendants violated federal law and therefore engaged in conduct that  
27  
28

1 violates the Nevada DTPA.

2 870. Defendants knew the true nature of its “clean” diesel engine system, but concealed  
3 all of that information until recently. Defendants were also aware that it valued profits over  
4 environmental cleanliness, efficiency, and compliance with the law, and that it was  
5 manufacturing, selling, and distributing vehicles throughout the United States that did not  
6 comply with EPA regulations. Defendants concealed this information as well.  
7

8 871. Defendants intentionally and knowingly misrepresented material facts regarding  
9 the Fraudulent Vehicles with intent to mislead Plaintiffs.  
10

11 872. Defendants knew or should have known that their conduct violated the Nevada  
12 DTPA.

13 873. Defendants owed Plaintiffs a duty to disclose the illegality and public health and  
14 safety risks of the Fraudulent Vehicles because they:

15 A. possessed exclusive knowledge that they were manufacturing, selling,  
16 and distributing vehicles throughout the United States that did not comply with EPA  
17 regulations;  
18

19 B. intentionally concealed the foregoing from regulators and Plaintiffs;  
20 and/or

21 C. made incomplete representations about the environmental cleanliness  
22 and efficiency of the Fraudulent Vehicles generally, and the use of the defeat device  
23 in particular, while purposefully withholding material facts from Plaintiffs that  
24 contradicted these representations.  
25

26 874. Defendants concealed the illegal defeat device and the true emissions, efficiency,  
27 and performance of the “clean” diesel system, resulting in a raft of negative publicity once the  
28

1 defects finally began to be disclosed. The value of the Fraudulent Vehicles has therefore greatly  
2 diminished. In light of the stigma attached to those vehicles by Defendants' conduct, they are  
3 now worth significantly less than they otherwise would be worth.

4 875. Defendants' fraudulent use of the "defeat device" and its concealment of  
5 the true characteristics of the "clean" diesel engine system were material to Plaintiffs.  
6

7 876. Defendants' unfair or deceptive acts or practices were likely to and did in fact  
8 deceive regulators and reasonable consumers, including Plaintiffs, about the true environmental  
9 cleanliness and efficiency of Jeep- and Ram-branded vehicles, the quality of the Jeep and Ram  
10 brands, the devaluing of environmental cleanliness and integrity at Fiat Chrysler, and the true  
11 value of the Fraudulent Vehicles.  
12

13 877. Plaintiffs suffered ascertainable loss and actual damages as a direct and proximate  
14 result of Defendants' misrepresentations and its concealment of and failure to disclose material  
15 information. Plaintiffs who purchased or leased the Fraudulent Vehicles would not have  
16 purchased or leased them at all and/or—if the Fraudulent Vehicles' true nature had been  
17 disclosed and mitigated, and the Fraudulent Vehicles rendered legal to sell—would have paid  
18 significantly less for them. Plaintiffs also suffered diminished value of their vehicles, as well as  
19 lost or diminished use.  
20

21 878. Defendants had an ongoing duty to all their customers to refrain from unfair and  
22 deceptive practices under the Nevada DTPA. All owners of Fraudulent Vehicles suffered  
23 ascertainable loss in the form of the diminished value of their vehicles as a result of Defendants'  
24 deceptive and unfair acts and practices made in the course of Defendants' business.  
25

26 879. Defendants' violations present a continuing risk to Plaintiffs as well as to the  
27 general public. Defendants' unlawful acts and practices complained of herein affect the public  
28

1 interest.

2 880. As a direct and proximate result of Defendants' violations of the Nevada DTPA,  
3 Plaintiffs have suffered injury-in-fact and/or actual damage.

4 881. Accordingly, Plaintiffs seek their actual damages, punitive damages, an order  
5 enjoining Defendants' deceptive acts or practices, costs of Court, attorney's fees, and all other  
6 appropriate and available remedies under the Nevada Deceptive Trade Practices Act. NEV. REV.  
7 STAT. § 41.600.

8  
9 **NEVADA COUNT 2**  
10 **BREACH OF IMPLIED WARRANTY OF MERCHANTABILITY**  
11 **(N.R.S. §§ 104.2314 and 104A.2212)**  
12 **(On behalf of Nevada Plaintiffs)**

13 882. Plaintiffs reallege and incorporate by reference all allegations of the preceding  
14 paragraphs as though fully set forth herein.

15 883. Defendants are and were at all relevant times "merchants" with respect to motor  
16 vehicles under N.R.S. § 104.2104(1) and "sellers" of motor vehicles under § 104.2103(1)(c).

17 884. With respect to leases, Defendants are and were at all relevant times "lessors" of  
18 motor vehicles under N.R.S. § 104A.2103(1)(p).

19 885. The Fraudulent Vehicles are and were at all relevant times "goods" within the  
20 meaning of N.R.S. §§ 104.2105(1) and 104A.2103(1)(h).

21 886. A warranty that the Fraudulent Vehicles were in merchantable condition and fit  
22 for the ordinary purpose for which vehicles are used is implied by law pursuant to N.R.S. §§  
23 104.2314 and 104A.2212.

24 887. These Fraudulent Vehicles, when sold or leased and at all times thereafter, were  
25 not in merchantable condition and are not fit for the ordinary purpose for which vehicles are  
26 used. Specifically, the Fraudulent Vehicles are inherently defective in that they do not comply  
27  
28

1 with federal and state emissions standards, rendering certain emissions functions inoperative; and  
 2 the “clean” diesel engine system was not adequately designed, manufactured, and tested.

3 888. Defendants were provided notice of these issues by the investigations of the EPA  
 4 and individual state regulators, numerous complaints filed against it including the instant  
 5 Complaint, and by numerous individual letters and communications sent by Plaintiffs and others  
 6 within a reasonable amount of time after the allegations of Fraudulent Vehicle defects became  
 7 public.  
 8

9 889. As a direct and proximate result of the Defendants’ breach of the implied  
 10 warranty of merchantability, Plaintiffs have been damaged in an amount to be proven at trial.  
 11

12 **NEVADA COUNT 3**  
 13 **BREACH OF EXPRESS WARRANTY**  
 14 **(N.R.S. §§ 104.2313 and 104A.2210)**  
 15 **(On behalf of the Nevada Plaintiffs)**

16 890. Plaintiffs reallege and incorporate by reference all preceding allegations as though  
 17 fully set forth herein.

18 891. Defendants are and were at all relevant times “merchants” with respect to motor  
 19 vehicles under N.R.S. § 104.2104(1) and “sellers” of motor vehicles under 25 § 104.2103(1)(c).

20 892. With respect to leases, Defendants are and were at all relevant times “lessors” of  
 21 motor vehicles under N.R.S. § 104A.2103(1)(p).

22 893. The Fraudulent Vehicles are and were at all relevant times “goods” within the  
 23 meaning of N.R.S. §§ 104.2105(1) and 104A.2103(1)(h).

24 894. In connection with the purchase or lease of each one of its new vehicles,  
 25 Defendants provide an express New Vehicle Limited Warranty (“NVLW”). This NVLW exists  
 26 to cover “any repair to correct a manufacturers defect in materials or workmanship.”  
 27  
 28

1           895. The Clean Air Act requires manufacturers of light-duty vehicles to provide two  
2 federal emission control warranties: a “Performance Warranty” and a “Design and Defect  
3 Warranty.”

4           896. The EPA requires vehicle manufacturers to provide a Performance Warranty with  
5 respect to the vehicles’ emission systems. Thus, FCA also provides an express warranty for its  
6 vehicles through a Federal Emissions Performance Warranty. The Performance Warranty  
7 required by the EPA applies to repairs that are required during the first two years or 24,000  
8 miles, whichever occurs first, when a vehicle fails an emissions test. Under this warranty, certain  
9 major emission control components are covered for the first eight years or 80,000 miles,  
10 whichever comes first. These major emission control components subject to the longer warranty  
11 include the catalytic converters, the electronic emission control unit, and the onboard emission  
12 diagnostic device or computer.

13           897. The EPA requires vehicle manufacturers to issue Design and Defect Warranties  
14 with respect to their vehicles’ emission systems. Thus, Defendants also provide an express  
15 warranty for their vehicles through a Federal Emission Control System Defect Warranty. The  
16 Design and Defect Warranty required by the EPA covers repair of emission control or emission  
17 related parts which fail to function or function improperly because of a defect in materials or  
18 workmanship. This warranty provides protection for two years or 24,000 miles, whichever  
19 comes first, or, for the major emission control components, for eight years or 80,000 miles,  
20 whichever comes first.

21           898. As manufacturers of light-duty vehicles, Defendants were required to provide these  
22 warranties to purchasers or lessees of their “clean” diesel vehicles.  
23  
24  
25  
26  
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1           899. Defendants' warranties formed a basis of the bargain that was reached when  
2 Plaintiffs and purchased or leased their Fraudulent Vehicles equipped with the non-compliant  
3 "clean" diesel engine and emission systems.

4           900. Plaintiffs experienced defects within the warranty period. Despite the existence of  
5 warranties, Defendants failed to inform Plaintiffs that the Fraudulent Vehicles were intentionally  
6 designed and manufactured to be out of compliance with applicable state and federal emissions  
7 laws, and failed to fix the defective emission components free of charge.

8  
9           901. Defendants breached the express warranty promising to repair and correct a  
10 manufacturing defect or materials or workmanship of any parts they supplied. Defendants have  
11 not repaired or adjusted, and have been unable to repair or adjust, the Fraudulent Vehicles'  
12 materials and workmanship defects.

13  
14           902. Furthermore, the limited warranty promising to repair and/or correct a  
15 manufacturing defect fails in its essential purpose because the contractual remedy is insufficient  
16 to make Plaintiffs whole and because Defendants have failed and/or have refused to adequately  
17 provide the promised remedies within a reasonable time.

18  
19           903. Accordingly, recovery by Plaintiffs is not restricted to the limited warranty  
20 promising to repair and/or correct a manufacturing defect, and Plaintiffs seek all remedies as  
21 allowed by law.

22  
23           904. Also, as alleged in more detail herein, at the time Defendants warranted and sold  
24 or leased the Fraudulent Vehicles, they knew that the Fraudulent Vehicles were inherently  
25 defective and did not conform to their warranties; further, Defendants had wrongfully and  
26 fraudulently concealed material facts regarding the Fraudulent Vehicles. Plaintiffs were  
27 therefore induced to purchase or lease the Fraudulent Vehicles under false and/or fraudulent  
28

1 pretenses.

2 905. Moreover, many of the injuries flowing from the Fraudulent Vehicles cannot be  
3 resolved through the limited remedy of “replacements or adjustments,” as many incidental and  
4 consequential damages have already been suffered because of Defendants’ fraudulent conduct  
5 as alleged herein, and because of their failure and/or continued failure to provide such limited  
6 remedy within a reasonable time, and any limitation on Plaintiffs’ remedies would be  
7 insufficient to make Plaintiffs.  
8

9 906. Finally, because of Defendants’ breach of warranty as set forth herein, Plaintiffs  
10 assert, as additional and/or alternative remedies, the revocation of acceptance of the goods and  
11 the return to Plaintiffs of the purchase or lease price of all Fraudulent Vehicles currently owned  
12 or leased, and for such other incidental and consequential damages as allowed.  
13

14 907. Defendants were provided notice of these issues by numerous complaints filed  
15 against them, including the instant Complaint, within a reasonable amount of time after Fiat  
16 Chrysler was accused by the EPA and CARB of using a defeat device in the Fraudulent  
17 Vehicles to evade clean air standards.  
18

19 908. As a direct and proximate result of Defendants’ breach of express warranties,  
20 Plaintiffs have been damaged in an amount to be determined at trial.  
21

## 22 **NEW YORK COUNTS**

### 23 **NEW YORK COUNT 1** 24 **VIOLATIONS OF NEW YORK GENERAL BUSINESS LAW § 349** 25 **(N.Y. Gen. Bus. Law § 349)** 26 **(On behalf of the New York Plaintiffs)**

27 909. Plaintiffs incorporate by reference each preceding paragraph as though fully set  
28 forth herein.

1           910. Plaintiffs and all Defendants are “persons” under N.Y. Gen. Bus. Law § 349(h),  
2 the New York Deceptive Acts and Practices Act (“NY DAPA”).

3           911. Defendants’ actions as set forth herein occurred in the conduct of trade or  
4 commerce under the NY DAPA.

5           912. The NY DAPA makes unlawful “[d]eceptive acts or practices in the conduct of  
6 any business, trade or commerce.” N.Y. Gen. Bus. Law § 349. Defendants’ conduct, as set forth  
7 herein, constitutes deceptive acts or practices under this section.

8  
9           913. In the course of their business, Defendants concealed and suppressed material facts  
10 concerning the Fraudulent Vehicles. The Defendants installed software in their vehicles that  
11 enabled emissions controls for nitrogen oxide—a pollutant that contributes to health problems and  
12 global warming—to pass EPA emissions testing while at the same time disabling the same controls  
13 during real- world driving. Specifically, the software was designed to cheat emission testing by  
14 showing lower emissions during laboratory testing conditions than actually existed when the  
15 vehicle operated on the road. This deceptive practice enabled Defendants’ vehicles to pass  
16 emission certification tests through deliberately induced lower-than-real-world emissions  
17 readings.  
18

19  
20           914. Plaintiffs had no way of discerning that Defendants’ representations were false  
21 and misleading because Defendants’ defeat device software was extremely sophisticated  
22 technology. Plaintiffs did not and could not unravel Defendants’ deception on their own.  
23

24           915. Defendants thus violated the Act by, at minimum: knowingly representing that the  
25 Fraudulent Vehicles have uses and benefits which they do not have; representing that Fraudulent  
26 Vehicles are of a particular standard, quality, and grade when they are not; advertising Fraudulent  
27 Vehicles with the intent not to sell or lease them as advertised; and representing that the subject of  
28

1 a transaction involving Fraudulent Vehicles has been supplied in accordance with a previous  
2 representation when it was not; and knowingly making other false representations in a transaction.

3 916. Defendants engaged in misleading, false, unfair or deceptive acts or practices that  
4 violated the NY DAPA by installing, failing to disclose and actively concealing the illegal defeat  
5 device and the true cleanliness and performance of the “clean” diesel engine system, by  
6 marketing its vehicles as legal, reliable, environmentally clean, efficient, and of high quality, and  
7 by presenting itself as a reputable manufacturer that valued environmental cleanliness and  
8 efficiency, and that stood behind its vehicles after they were sold.

9  
10 917. The Clean Air Act and EPA regulations require that automobiles limit their  
11 emissions output to specified levels. These laws are intended for the protection of public health  
12 and welfare. “Defeat devices” like those in the Fraudulent Vehicles are defined and prohibited  
13 by the Clean Air Act and its regulations. *See* 42 U.S.C. § 7522(a)(3)(B); 40 CFR § 86.1809. By  
14 installing illegal “defeat devices” in the Fraudulent Vehicles and by making those vehicles  
15 available for purchase, Defendants violated federal law and therefore engaged in conduct that  
16 violates the NY DAPA.

17  
18 918. Defendants knew the true nature of its “clean” diesel engine system, but concealed  
19 all of that information until recently. Defendants were also aware that it valued profits over  
20 environmental cleanliness, efficiency, and compliance with the law, and that it was  
21 manufacturing, selling, and distributing vehicles throughout the United States that did not  
22 comply with EPA regulations. Defendants concealed this information as well.

23  
24 919. Defendants intentionally and knowingly misrepresented material facts regarding  
25 the Fraudulent Vehicles with intent to mislead Plaintiffs.

26  
27 920. Defendants knew or should have known that their conduct violated the NY  
28

1 DAPA.

2 921. Defendants owed Plaintiffs a duty to disclose the illegality and public health and  
3 safety risks of the Fraudulent Vehicles because they:

4 A. possessed exclusive knowledge that they were manufacturing, selling,  
5 and distributing vehicles throughout the United States that did not comply with EPA  
6 regulations;

8 B. intentionally concealed the foregoing from regulators and Plaintiffs;  
9 and/or

10 C. made incomplete representations about the environmental cleanliness  
11 and efficiency of the Fraudulent Vehicles generally, and the use of the defeat device  
12 in particular, while purposefully withholding material facts from Plaintiffs that  
13 contradicted these representations.  
14

15 922. Defendants concealed the illegal defeat device and the true emissions, efficiency,  
16 and performance of the “clean” diesel system, resulting in a raft of negative publicity once the  
17 defects finally began to be disclosed. The value of the Fraudulent Vehicles has therefore greatly  
18 diminished. In light of the stigma attached to those vehicles by Defendants’ conduct, they are  
19 now worth significantly less than they otherwise would be worth.  
20

21 923. Defendants’ fraudulent use of the “defeat device” and its concealment of  
22 the true characteristics of the “clean” diesel engine system were material to Plaintiffs.  
23

24 924. Defendants’ unfair or deceptive acts or practices were likely to and did in fact  
25 deceive regulators and reasonable consumers, including Plaintiffs, about the true environmental  
26 cleanliness and efficiency of Jeep- and Ram-branded vehicles, the quality of the Jeep and Ram  
27 brands, the devaluing of environmental cleanliness and integrity at Fiat Chrysler, and the true  
28

1 value of the Fraudulent Vehicles.

2 925. Plaintiffs suffered ascertainable loss and actual damages as a direct and proximate  
3 result of Defendants' misrepresentations and its concealment of and failure to disclose material  
4 information. Plaintiffs who purchased or leased the Fraudulent Vehicles would not have  
5 purchased or leased them at all and/or—if the Fraudulent Vehicles' true nature had been  
6 disclosed and mitigated, and the Fraudulent Vehicles rendered legal to sell—would have paid  
7 significantly less for them. Plaintiffs also suffered diminished value of their vehicles, as well as  
8 lost or diminished use.

10 926. Defendants had an ongoing duty to all their customers to refrain from unfair and  
11 deceptive practices under the NY DAPA. All owners of Fraudulent Vehicles suffered  
12 ascertainable loss in the form of the diminished value of their vehicles as a result of Defendants'  
13 deceptive and unfair acts and practices made in the course of Defendants' business.

15 927. Defendants' violations present a continuing risk to Plaintiffs as well as to the  
16 general public. Defendants' unlawful acts and practices complained of herein affect the public  
17 interest.

19 928. As a direct and proximate result of Defendants' violations of the NY DAPA,  
20 Plaintiffs have suffered injury-in-fact and/or actual damage.

21 929. As a result of the foregoing willful, knowing, and wrongful conduct of  
22 Defendants, Plaintiffs have been damaged in an amount to be proven at trial, and seek all just  
23 and proper remedies, including but not limited to actual damages or \$50, whichever is greater,  
24 treble damages up to \$1,000, punitive damages to the extent available under the law, reasonable  
25 attorneys' fees and costs, an order enjoining Defendants' deceptive and unfair conduct, and all  
26 other just and appropriate relief available under the NY DAPA.  
27  
28

**NEW YORK COUNT 2**  
**VIOLATIONS OF NEW YORK GENERAL BUSINESS LAW § 350**  
**(N.Y. Gen. Bus. Law § 350)**  
**(On behalf of the New York Plaintiffs)**

930. Plaintiffs incorporate by reference each preceding paragraph as though fully set forth herein.

931. Defendants were engaged in the “conduct of business, trade or commerce,” within the meaning of N.Y. Gen. Bus. Law § 350, the New York False Advertising Act (“NY FAA”)

932. The NY FAA makes unlawful “[f]alse advertising in the conduct of any business, trade or commerce.” N.Y. Gen. Bus. Law § 350. False advertising includes “advertising, including labeling, of a commodity . . . if such advertising is misleading in a material respect,” taking into account “the extent to which the advertising fails to reveal facts material in light of . . . representations [made] with respect to the commodity . . .” N.Y. Gen. Bus. Law § 350-a.

933. Defendants caused to be made or disseminated through New York, through advertising, marketing, and other publications, statements and omissions that were untrue or misleading, and that were known by Defendants, or that through the exercise of reasonable care should have been known by Defendants, to be untrue and misleading to Plaintiffs.

934. Defendants made numerous material misrepresentations and omissions of fact with intent to mislead and deceive concerning the Fraudulent Vehicles, particularly concerning the illegality, efficacy and functioning of the emissions systems on their CleanDiesel vehicles. Specifically, Defendants intentionally concealed and suppressed material facts concerning the legality and quality of the Fraudulent Vehicles in order to intentionally and grossly defraud and mislead the Plaintiffs concerning the true emissions produced by the misnamed “CleanDiesel” engines in the Fraudulent Vehicles.

1           935. The misrepresentations and omissions regarding set forth above were material and  
2 likely to deceive a reasonable consumer. Specifically, although Defendants advertised the  
3 Fraudulent Vehicles as clean and environmentally-friendly, they in fact used a sophisticated  
4 defeat device that was undetectable to the ordinary consumer that made them non-compliant with  
5 EPA emission regulations.

6           936. Defendants intentionally and knowingly misrepresented material facts regarding  
7 the Fraudulent Vehicles with intent to mislead Plaintiffs.  
8

9           937. Defendants' false advertising was likely to and did in fact deceive regulators and  
10 reasonable consumers, including Plaintiffs, about the illegality and true characteristics of  
11 Defendants' CleanDiesel vehicles, the quality of the Defendants brand and the true value of the  
12 Fraudulent Vehicles.  
13

14           938. Defendants' violations of the NY FAA present a continuing risk to Plaintiffs and to  
15 the general public. Defendants' deceptive acts and practices affect the public interest.  
16

17           939. The Fraudulent Vehicles do not perform as advertised and are not compliant with  
18 EPA regulations, making them far less valuable than advertised. Plaintiffs who purchased  
19 Fraudulent Vehicles either would not have purchased them at all or paid less but for Defendants'  
20 false advertising in violation of the NY FAA. Plaintiffs who leased Fraudulent Vehicles either  
21 would not have leased them at all, or at a lower rate but for Defendants' false advertising in  
22 violation of the NY FAA.  
23

24           940. The Plaintiffs have suffered injury-in-fact and/or actual damages and ascertainable  
25 loss as a direct and proximate result of the Defendants' false advertising in violation of the NY  
26 FAA, including but not limited to purchasing or leasing an illegal vehicle, diminished or complete  
27 lost value for the Fraudulent Vehicles they purchased or leased; lost or diminished use, enjoyment  
28



1 and utility of such vehicles; and annoyance, aggravation and inconvenience resulting from  
 2 Defendant's violations of the NY FAA. Plaintiffs seek monetary relief against Defendants  
 3 measured as the greater of (a) actual damages in an amount to be determined at trial, and (b)  
 4 statutory damages in the amount of \$500 each for Plaintiffs. Because Defendants' conduct was  
 5 committed willingly and knowingly, Plaintiffs are entitled to recover three times actual damages,  
 6 up to \$10,000.  
 7

8 **NEW YORK COUNT 3**  
 9 **BREACH OF IMPLIED WARRANTY OF MERCHANTABILITY**  
 10 **(N.Y. U.C.C. Law §§ 2-314 and 2A-212)**  
 11 **(On behalf of the New York Plaintiffs)**

12 941. Plaintiffs reallege and incorporate by reference all allegations of the preceding  
 13 paragraphs as though fully set forth herein.

14 942. Defendants are and were at all relevant times "merchants" with respect to motor  
 15 vehicles under N.Y. UCC Law § 2-104(1) and "sellers" of motor vehicles under § 2-103(1)(d).

16 943. With respect to leases, Defendants are and were at all relevant times "lessors" of  
 17 motor vehicles under N.Y. UCC Law § 2A-103(1)(p).

18 944. The Fraudulent Vehicles are and were at all relevant times "goods" within the  
 19 meaning of N.Y. UCC Law §§ 2-105(1) and 2A-103(1)(h).  
 20

21 945. A warranty that the Fraudulent Vehicles were in merchantable condition and fit  
 22 for the ordinary purpose for which vehicles are used is implied by law pursuant to N.Y. UCC  
 23 Law §§ 2-19 and 2A-212.

24 946. These Fraudulent Vehicles, when sold or leased and at all times thereafter, were  
 25 not in merchantable condition and are not fit for the ordinary purpose for which vehicles are  
 26 used. Specifically, the Fraudulent Vehicles are inherently defective in that they do not comply  
 27  
 28

1 with federal and state emissions standards, rendering certain emissions functions inoperative; and  
 2 the “clean” diesel engine system was not adequately designed, manufactured, and tested.

3 947. Defendants were provided notice of these issues by the investigations of the EPA  
 4 and individual state regulators, numerous complaints filed against it including the instant  
 5 Complaint, and by numerous individual letters and communications sent by Plaintiffs and others  
 6 within a reasonable amount of time after the allegations of Fraudulent Vehicle defects became  
 7 public.  
 8

9 948. As a direct and proximate result of the Defendants’ breach of the implied  
 10 warranty of merchantability, Plaintiffs have been damaged in an amount to be proven at trial.  
 11

12 **NEW YORK COUNT 4**  
 13 **BREACH OF EXPRESS WARRANTY**  
 14 **(N.Y. U.C.C. Law §§ 2-313 and 2A-210)**  
 15 **(On behalf of the New York Plaintiffs)**

16 949. Plaintiffs reallege and incorporate by reference all preceding allegations as though  
 17 fully set forth herein.

18 950. Defendants are and were at all relevant times “merchants” with respect to motor  
 19 vehicles under N.Y. UCC Law § 2-104(1) and “sellers” of motor vehicles under § 2-103(1)(d).  
 20

21 951. With respect to leases, Defendants are and were at all relevant times “lessors” of  
 22 motor vehicles under N.R.S. § 104A.2103(1)(p).  
 23

24 952. The Fraudulent Vehicles are and were at all relevant times “goods” within the  
 25 meaning of N.Y. UCC Law § 2A-103(1)(p).  
 26

27 953. In connection with the purchase or lease of each one of its new vehicles,  
 28 Defendants provide an express New Vehicle Limited Warranty (“NVLW”). This NVLW exists to  
 cover “any repair to correct a manufacturers defect in materials or workmanship.”

1           954. The Clean Air Act requires manufacturers of light-duty vehicles to provide two  
2 federal emission control warranties: a “Performance Warranty” and a “Design and Defect  
3 Warranty.”

4           955. The EPA requires vehicle manufacturers to provide a Performance Warranty with  
5 respect to the vehicles’ emission systems. Thus, FCA also provides an express warranty for its  
6 vehicles through a Federal Emissions Performance Warranty. The Performance Warranty  
7 required by the EPA applies to repairs that are required during the first two years or 24,000  
8 miles, whichever occurs first, when a vehicle fails an emissions test. Under this warranty, certain  
9 major emission control components are covered for the first eight years or 80,000 miles,  
10 whichever comes first. These major emission control components subject to the longer warranty  
11 include the catalytic converters, the electronic emission control unit, and the onboard emission  
12 diagnostic device or computer.  
13

14           956. The EPA requires vehicle manufacturers to issue Design and Defect Warranties  
15 with respect to their vehicles’ emission systems. Thus, Defendants also provide an express  
16 warranty for their vehicles through a Federal Emission Control System Defect Warranty. The  
17 Design and Defect Warranty required by the EPA covers repair of emission control or emission  
18 related parts which fail to function or function improperly because of a defect in materials or  
19 workmanship. This warranty provides protection for two years or 24,000 miles, whichever  
20 comes first, or, for the major emission control components, for eight years or 80,000 miles,  
21 whichever comes first.  
22

23           957. As manufacturers of light-duty vehicles, Defendants were required to provide these  
24 warranties to purchasers or lessees of their “clean” diesel vehicles.  
25  
26  
27  
28

1           958. Defendants' warranties formed a basis of the bargain that was reached when  
2 Plaintiffs and purchased or leased their Fraudulent Vehicles equipped with the non-compliant  
3 "clean" diesel engine and emission systems.

4           959. Plaintiffs experienced defects within the warranty period. Despite the existence of  
5 warranties, Defendants failed to inform Plaintiffs that the Fraudulent Vehicles were intentionally  
6 designed and manufactured to be out of compliance with applicable state and federal emissions  
7 laws, and failed to fix the defective emission components free of charge.

8  
9           960. Defendants breached the express warranty promising to repair and correct a  
10 manufacturing defect or materials or workmanship of any parts they supplied. Defendants have  
11 not repaired or adjusted, and have been unable to repair or adjust, the Fraudulent Vehicles'  
12 materials and workmanship defects.

13  
14           961. Furthermore, the limited warranty promising to repair and/or correct a  
15 manufacturing defect fails in its essential purpose because the contractual remedy is insufficient  
16 to make Plaintiffs whole and because Defendants have failed and/or have refused to adequately  
17 provide the promised remedies within a reasonable time.

18  
19           962. Accordingly, recovery by Plaintiffs is not restricted to the limited warranty  
20 promising to repair and/or correct a manufacturing defect, and Plaintiffs seek all remedies as  
21 allowed by law.

22  
23           963. Also, as alleged in more detail herein, at the time Defendants warranted and sold  
24 or leased the Fraudulent Vehicles, they knew that the Fraudulent Vehicles were inherently  
25 defective and did not conform to their warranties; further, Defendants had wrongfully and  
26 fraudulently concealed material facts regarding the Fraudulent Vehicles. Plaintiffs were  
27 therefore induced to purchase or lease the Fraudulent Vehicles under false and/or fraudulent  
28

1 pretenses.

2 964. Moreover, many of the injuries flowing from the Fraudulent Vehicles cannot be  
3 resolved through the limited remedy of “replacements or adjustments,” as many incidental and  
4 consequential damages have already been suffered because of Defendants’ fraudulent conduct  
5 as alleged herein, and because of their failure and/or continued failure to provide such limited  
6 remedy within a reasonable time, and any limitation on Plaintiffs’ remedies would be  
7 insufficient to make Plaintiffs.  
8

9 965. Finally, because of Defendants’ breach of warranty as set forth herein, Plaintiffs  
10 assert, as additional and/or alternative remedies, the revocation of acceptance of the goods and  
11 the return to Plaintiffs of the purchase or lease price of all Fraudulent Vehicles currently owned  
12 or leased, and for such other incidental and consequential damages as allowed.  
13

14 966. Defendants were provided notice of these issues by numerous complaints filed  
15 against them, including the instant Complaint, within a reasonable amount of time after Fiat  
16 Chrysler was accused by the EPA and CARB of using a defeat device in the Fraudulent  
17 Vehicles to evade clean air standards.  
18

19 967. As a direct and proximate result of Defendants’ breach of express warranties,  
20 Plaintiffs have been damaged in an amount to be determined at trial.  
21

## 22 **NORTH CAROLINA**

### 23 **NORTH CAROLINA COUNT 1** 24 **VIOLATIONS OF THE NORTH CAROLINA UNFAIR** 25 **AND DECEPTIVE TRADE PRACTICES ACT** (N.C. Gen. Stat. §§ 75-1.1, et seq.) (On behalf of the North Carolina Plaintiffs)

26 968. Plaintiffs incorporate by reference each preceding paragraph as though fully set  
27 forth herein.  
28

1           969. Plaintiffs are persons under the North Carolina Unfair and Deceptive Trade  
2 Practices Act, N.C. Gen. Stat. §§ 75-1.1, et seq. (“NCUDTPA”).

3           970. Defendants’ acts and practices complained of herein were performed in the course  
4 of Defendants’ trade or business and thus occurred in or affected “commerce,” as defined in N.C.  
5 Gen. Stat. § 75-1.1(b).

6           971. The NCUDTPA makes unlawful “[u]nfair methods of competition in or affecting  
7 commerce, and unfair or deceptive acts or practices in or affecting commerce[.]” The NCUDTPA  
8 provides a private right of action for any person injured “by reason of any act or thing done by  
9 any other person, firm or corporation in violation of” the NCUDTPA. N.C. Gen. Stat. 14 § 75-16.  
10

11           972. In the course of their business, Defendants concealed and suppressed material facts  
12 concerning the Fraudulent Vehicles. The Defendants installed software in their vehicles that  
13 enabled emissions controls for nitrogen oxide—a pollutant that contributes to health problems and  
14 global warming—to pass EPA emissions testing while at the same time disabling the same controls  
15 during real- world driving. Specifically, the software was designed to cheat emission testing by  
16 showing lower emissions during laboratory testing conditions than actually existed when the  
17 vehicle operated on the road. This deceptive practice enabled Defendants’ vehicles to pass  
18 emission certification tests through deliberately induced lower-than-real-world emissions  
19 readings.  
20

21           973. Plaintiffs had no way of discerning that Defendants’ representations were false  
22 and misleading because Defendants’ defeat device software was extremely sophisticated  
23 technology. Plaintiffs did not and could not unravel Defendants’ deception on their own.  
24

25           974. Defendants thus violated the Act by, at minimum: knowingly representing that the  
26 Fraudulent Vehicles have uses and benefits which they do not have; representing that Fraudulent  
27  
28

1 Vehicles are of a particular standard, quality, and grade when they are not; advertising Fraudulent  
2 Vehicles with the intent not to sell or lease them as advertised; and representing that the subject of  
3 a transaction involving Fraudulent Vehicles has been supplied in accordance with a previous  
4 representation when it was not; and knowingly making other false representations in a transaction.

5 975. Defendants engaged in misleading, false, unfair or deceptive acts or practices that  
6 violated the NCUDTPA by installing, failing to disclose and actively concealing the illegal defeat  
7 device and the true cleanliness and performance of the “clean” diesel engine system, by  
8 marketing its vehicles as legal, reliable, environmentally clean, efficient, and of high quality, and  
9 by presenting itself as a reputable manufacturer that valued environmental cleanliness and  
10 efficiency, and that stood behind its vehicles after they were sold.  
11

12 976. The Clean Air Act and EPA regulations require that automobiles limit their  
13 emissions output to specified levels. These laws are intended for the protection of public health  
14 and welfare. “Defeat devices” like those in the Fraudulent Vehicles are defined and prohibited  
15 by the Clean Air Act and its regulations. *See* 42 U.S.C. § 7522(a)(3)(B); 40 CFR § 86.1809. By  
16 installing illegal “defeat devices” in the Fraudulent Vehicles and by making those vehicles  
17 available for purchase, Defendants violated federal law and therefore engaged in conduct that  
18 violates the NCUDTPA.  
19

20 977. Defendants knew the true nature of its “clean” diesel engine system, but concealed  
21 all of that information until recently. Defendants were also aware that it valued profits over  
22 environmental cleanliness, efficiency, and compliance with the law, and that it was  
23 manufacturing, selling, and distributing vehicles throughout the United States that did not  
24 comply with EPA regulations. Defendants concealed this information as well.  
25

26 978. Defendants intentionally and knowingly misrepresented material facts regarding  
27  
28

1 the Fraudulent Vehicles with intent to mislead Plaintiffs.

2 979. Defendants knew or should have known that their conduct violated the  
3 NCUDTPA.

4 980. Defendants owed Plaintiffs a duty to disclose the illegality and public health and  
5 safety risks of the Fraudulent Vehicles because they:

6 A. possessed exclusive knowledge that they were manufacturing, selling,  
7 and distributing vehicles throughout the United States that did not comply with EPA  
8 regulations;

9 B. intentionally concealed the foregoing from regulators and Plaintiffs;  
10 and/or  
11

12 C. made incomplete representations about the environmental cleanliness  
13 and efficiency of the Fraudulent Vehicles generally, and the use of the defeat device  
14 in particular, while purposefully withholding material facts from Plaintiffs that  
15 contradicted these representations.  
16  
17

18 981. Defendants concealed the illegal defeat device and the true emissions, efficiency,  
19 and performance of the “clean” diesel system, resulting in a raft of negative publicity once the  
20 defects finally began to be disclosed. The value of the Fraudulent Vehicles has therefore greatly  
21 diminished. In light of the stigma attached to those vehicles by Defendants’ conduct, they are  
22 now worth significantly less than they otherwise would be worth.  
23

24 982. Defendants’ fraudulent use of the “defeat device” and its concealment of  
25 the true characteristics of the “clean” diesel engine system were material to Plaintiffs.

26 983. Defendants’ unfair or deceptive acts or practices were likely to and did in fact  
27 deceive regulators and reasonable consumers, including Plaintiffs, about the true environmental  
28



1 cleanliness and efficiency of Jeep- and Ram-branded vehicles, the quality of the Jeep and Ram  
2 brands, the devaluing of environmental cleanliness and integrity at Fiat Chrysler, and the true  
3 value of the Fraudulent Vehicles.

4 984. Plaintiffs suffered ascertainable loss and actual damages as a direct and proximate  
5 result of Defendants' misrepresentations and its concealment of and failure to disclose material  
6 information. Plaintiffs who purchased or leased the Fraudulent Vehicles would not have  
7 purchased or leased them at all and/or—if the Fraudulent Vehicles' true nature had been  
8 disclosed and mitigated, and the Fraudulent Vehicles rendered legal to sell—would have paid  
9 significantly less for them. Plaintiffs also suffered diminished value of their vehicles, as well as  
10 lost or diminished use.  
11

12 985. Defendants had an ongoing duty to all their customers to refrain from unfair and  
13 deceptive practices under the NCUDTPA. All owners of Fraudulent Vehicles suffered  
14 ascertainable loss in the form of the diminished value of their vehicles as a result of Defendants'  
15 deceptive and unfair acts and practices made in the course of Defendants' business.  
16

17 986. Defendants' violations present a continuing risk to Plaintiffs as well as to the  
18 general public. Defendants' unlawful acts and practices complained of herein affect the public  
19 interest.  
20

21 987. As a direct and proximate result of Defendants' violations of the NCUDTPA,  
22 Plaintiffs have suffered injury-in-fact and/or actual damage.  
23

24 988. As a result of the foregoing wrongful conduct of Defendants, Plaintiffs have been  
25 damaged in an amount to be proven at trial, and seek all just and proper remedies, including but  
26 not limited to treble damages, an order enjoining Defendants' deceptive and unfair conduct, court  
27 costs and reasonable attorneys' fees, and any other just and proper relief available under N.C.  
28

1 Gen. Stat. § 75-16.

2 **NORTH CAROLINA COUNT 2**  
 3 **BREACH OF IMPLIED WARRANTY OF MERCHANTABILITY**  
 4 **(N.C.G.S.A. §§ 25-2-314 and 252A-212)**  
 5 **(On behalf of the North Carolina Plaintiffs)**

6 989. Plaintiffs reallege and incorporate by reference all allegations of the preceding  
 7 paragraphs as though fully set forth herein.

8 990. Defendants are and were at all relevant times “merchants” with respect to motor  
 9 vehicles under N.C.G.S.A. § 25-2-104(1) and “sellers” of motor vehicles under 12 § 25-2-  
 10 103(1)(d).

11 991. With respect to leases, Defendants are and were at all relevant times “lessors” of  
 12 motor vehicles under N.C.G.S.A. § 25-2A-103(1)(p).

13 992. The Fraudulent Vehicles are and were at all relevant times “goods” within the  
 14 meaning of N.C.G.S.A. § 25-2-105(1) and N.C.G.S.A. § 25-2A-103(1)(h).

15 993. A warranty that the Fraudulent Vehicles were in merchantable condition and fit  
 16 for the ordinary purpose for which vehicles are used is implied by law pursuant to N.C.G.S.A. §  
 17 25-2-314 and N.C.G.S.A. § 25-2A-212.

18 994. These Fraudulent Vehicles, when sold or leased and at all times thereafter, were  
 19 not in merchantable condition and are not fit for the ordinary purpose for which vehicles are  
 20 used. Specifically, the Fraudulent Vehicles are inherently defective in that they do not comply  
 21 with federal and state emissions standards, rendering certain emissions functions inoperative; and  
 22 the “clean” diesel engine system was not adequately designed, manufactured, and tested.

23 995. Defendants were provided notice of these issues by the investigations of the EPA  
 24 and individual state regulators, numerous complaints filed against it including the instant  
 25 Complaint, and by numerous individual letters and communications sent by Plaintiffs and others  
 26  
 27  
 28

1 within a reasonable amount of time after the allegations of Fraudulent Vehicle defects became  
2 public.

3 996. As a direct and proximate result of the Defendants' breach of the implied  
4 warranty of merchantability, Plaintiffs have been damaged in an amount to be proven at trial.

5  
6 **NORTH CAROLINA COUNT 3**  
7 **BREACH OF EXPRESS WARRANTY**  
8 **(N.C.G.S.A. §§ 25-2-313 and 252A-210)**  
9 **(On behalf of the North Carolina Plaintiffs)**

10 997. Plaintiffs reallege and incorporate by reference all preceding allegations as though  
11 fully set forth herein.

12 998. Defendants are and were at all relevant times "merchants" with respect to motor  
13 vehicles under N.C.G.S.A. § 25-2-104(1) and "sellers" of motor vehicles under 13 § 25-2-  
14 103(1)(d).

15 999. With respect to leases, Defendants are and were at all relevant times "lessors" of  
16 motor vehicles under N.C.G.S.A. § 25-2A-103(1)(p).

17 1000. The Fraudulent Vehicles are and were at all relevant times "goods" within the  
18 meaning of N.C.G.S.A. § 25-2-105(1) and N.C.G.S.A. § 25-2A-103(1)(h).

19 1001. In connection with the purchase or lease of each one of its new vehicles,  
20 Defendants provide an express New Vehicle Limited Warranty ("NVLW"). This NVLW exists  
21 to cover "any repair to correct a manufacturers defect in materials or workmanship."

22 1002. The Clean Air Act requires manufacturers of light-duty vehicles to provide two  
23 federal emission control warranties: a "Performance Warranty" and a "Design and Defect  
24 Warranty."  
25

26 1003. The EPA requires vehicle manufacturers to provide a Performance Warranty with  
27 respect to the vehicles' emission systems. Thus, FCA also provides an express warranty for its  
28

1 vehicles through a Federal Emissions Performance Warranty. The Performance Warranty  
2 required by the EPA applies to repairs that are required during the first two years or 24,000  
3 miles, whichever occurs first, when a vehicle fails an emissions test. Under this warranty, certain  
4 major emission control components are covered for the first eight years or 80,000 miles,  
5 whichever comes first. These major emission control components subject to the longer warranty  
6 include the catalytic converters, the electronic emission control unit, and the onboard emission  
7 diagnostic device or computer.  
8

9 1004. The EPA requires vehicle manufacturers to issue Design and Defect Warranties  
10 with respect to their vehicles' emission systems. Thus, Defendants also provide an express  
11 warranty for their vehicles through a Federal Emission Control System Defect Warranty. The  
12 Design and Defect Warranty required by the EPA covers repair of emission control or emission  
13 related parts which fail to function or function improperly because of a defect in materials or  
14 workmanship. This warranty provides protection for two years or 24,000 miles, whichever  
15 comes first, or, for the major emission control components, for eight years or 80,000 miles,  
16 whichever comes first.  
17  
18

19 1005. As manufacturers of light-duty vehicles, Defendants were required to provide these  
20 warranties to purchasers or lessees of their "clean" diesel vehicles.  
21

22 1006. Defendants' warranties formed a basis of the bargain that was reached when  
23 Plaintiffs and purchased or leased their Fraudulent Vehicles equipped with the non-compliant  
24 "clean" diesel engine and emission systems.  
25

26 1007. Plaintiffs experienced defects within the warranty period. Despite the existence of  
27 warranties, Defendants failed to inform Plaintiffs that the Fraudulent Vehicles were intentionally  
28

1 designed and manufactured to be out of compliance with applicable state and federal emissions  
2 laws, and failed to fix the defective emission components free of charge.

3 1008. Defendants breached the express warranty promising to repair and correct a  
4 manufacturing defect or materials or workmanship of any parts they supplied. Defendants have  
5 not repaired or adjusted, and have been unable to repair or adjust, the Fraudulent Vehicles'  
6 materials and workmanship defects.

7  
8 1009. Furthermore, the limited warranty promising to repair and/or correct a  
9 manufacturing defect fails in its essential purpose because the contractual remedy is insufficient  
10 to make Plaintiffs whole and because Defendants have failed and/or have refused to adequately  
11 provide the promised remedies within a reasonable time.

12  
13 1010. Accordingly, recovery by Plaintiffs is not restricted to the limited warranty  
14 promising to repair and/or correct a manufacturing defect, and Plaintiffs seek all remedies as  
15 allowed by law.

16  
17 1011. Also, as alleged in more detail herein, at the time Defendants warranted and sold  
18 or leased the Fraudulent Vehicles, they knew that the Fraudulent Vehicles were inherently  
19 defective and did not conform to their warranties; further, Defendants had wrongfully and  
20 fraudulently concealed material facts regarding the Fraudulent Vehicles. Plaintiffs were  
21 therefore induced to purchase or lease the Fraudulent Vehicles under false and/or fraudulent  
22 pretenses.

23  
24 1012. Moreover, many of the injuries flowing from the Fraudulent Vehicles cannot be  
25 resolved through the limited remedy of "replacements or adjustments," as many incidental and  
26 consequential damages have already been suffered because of Defendants' fraudulent conduct  
27 as alleged herein, and because of their failure and/or continued failure to provide such limited  
28

1 remedy within a reasonable time, and any limitation on Plaintiffs' remedies would be  
2 insufficient to make Plaintiffs.

3 1013. Finally, because of Defendants' breach of warranty as set forth herein, Plaintiffs  
4 assert, as additional and/or alternative remedies, the revocation of acceptance of the goods and  
5 the return to Plaintiffs of the purchase or lease price of all Fraudulent Vehicles currently owned  
6 or leased, and for such other incidental and consequential damages as allowed.  
7

8 1014. Defendants were provided notice of these issues by numerous complaints filed  
9 against them, including the instant Complaint, within a reasonable amount of time after Fiat  
10 Chrysler was accused by the EPA and CARB of using a defeat device in the Fraudulent  
11 Vehicles to evade clean air standards.  
12

13 1015. As a direct and proximate result of Defendants' breach of express warranties,  
14 Plaintiffs have been damaged in an amount to be determined at trial.  
15

### 16 **OKLAHOMA COUNTS**

#### 17 **OKLAHOMA COUNT 1** 18 **VIOLATIONS OF OKLAHOMA CONSUMER PROTECTION ACT** 19 **(Okla. Stat. Tit. 15 § 751, et seq.)**

20 1016. Plaintiffs incorporate by reference each preceding paragraph as though fully set  
21 forth herein.

22 1017. Defendants and Plaintiffs are "persons" within the meaning of Okla. Stat. Tit. 15 §  
23 752.1.

24 1018. Defendants engaged in "the course of [its] business" within the meaning of Okla.  
25 Stat. Tit. 15 § 752.3 with respect to the acts alleged herein. .

26 1019. The Oklahoma Consumer Protection Act ("Oklahoma CPA") prohibits, in the  
27 course of business: "mak[ing] a false or misleading representation, knowingly or with reason to  
28

1 know, as to the characteristics ..., uses, [or] benefits, of the subject of a consumer transaction,” or  
 2 making a false representation, “knowingly or with reason to know, that the subject of a consumer  
 3 transaction is of a particular standard, style or model, if it is of another or “[a]dvertis[ing],  
 4 knowingly or with reason to know, the subject of a consumer transaction with intent not to sell it  
 5 as advertised;” and otherwise committing “an unfair or deceptive trade practice.” Okla. Stat. Tit.  
 6 19 § 753.  
 7

8 1020. In the course of their business, Defendants concealed and suppressed material facts  
 9 concerning the Fraudulent Vehicles. The Defendants installed software in their vehicles that  
 10 enabled emissions controls for nitrogen oxide—a pollutant that contributes to health problems and  
 11 global warming—to pass EPA emissions testing while at the same time disabling the same controls  
 12 during real- world driving. Specifically, the software was designed to cheat emission testing by  
 13 showing lower emissions during laboratory testing conditions then actually existed when the  
 14 vehicle operated on the road. This deceptive practice enabled Defendants’ vehicles to pass  
 15 emission certification tests through deliberately induced lower-than-real-world emissions  
 16 readings.  
 17  
 18

19 1021. Plaintiffs had no way of discerning that Defendants’ representations were false  
 20 and misleading because Defendants’ defeat device software was extremely sophisticated  
 21 technology. Plaintiffs did not and could not unravel Defendants’ deception on their own.  
 22

23 1022. Defendants thus violated the Act by, at minimum: knowingly representing that the  
 24 Fraudulent Vehicles have uses and benefits which they do not have; representing that Fraudulent  
 25 Vehicles are of a particular standard, quality, and grade when they are not; advertising Fraudulent  
 26 Vehicles with the intent not to sell or lease them as advertised; and representing that the subject of  
 27 a transaction involving Fraudulent Vehicles has been supplied in accordance with a previous  
 28

1 representation when it was not; and knowingly making other false representations in a transaction.

2 1023. Defendants engaged in misleading, false, unfair or deceptive acts or practices that  
3 violated the Oklahoma CPA by installing, failing to disclose and actively concealing the illegal  
4 defeat device and the true cleanliness and performance of the “clean” diesel engine system, by  
5 marketing its vehicles as legal, reliable, environmentally clean, efficient, and of high quality, and  
6 by presenting itself as a reputable manufacturer that valued environmental cleanliness and  
7 efficiency, and that stood behind its vehicles after they were sold.  
8

9 1024. The Clean Air Act and EPA regulations require that automobiles limit their  
10 emissions output to specified levels. These laws are intended for the protection of public health  
11 and welfare. “Defeat devices” like those in the Fraudulent Vehicles are defined and prohibited  
12 by the Clean Air Act and its regulations. *See* 42 U.S.C. § 7522(a)(3)(B); 40 CFR § 86.1809. By  
13 installing illegal “defeat devices” in the Fraudulent Vehicles and by making those vehicles  
14 available for purchase, Defendants violated federal law and therefore engaged in conduct that  
15 violates the Oklahoma CPA.  
16  
17

18 1025. Defendants knew the true nature of its “clean” diesel engine system, but concealed  
19 all of that information until recently. Defendants were also aware that it valued profits over  
20 environmental cleanliness, efficiency, and compliance with the law, and that it was  
21 manufacturing, selling, and distributing vehicles throughout the United States that did not  
22 comply with EPA regulations. Defendants concealed this information as well.  
23

24 1026. Defendants intentionally and knowingly misrepresented material facts regarding  
25 the Fraudulent Vehicles with intent to mislead Plaintiffs.

26 1027. Defendants knew or should have known that their conduct violated the Oklahoma  
27 CPA.  
28



1           1028. Defendants owed Plaintiffs a duty to disclose the illegality and public health and  
2 safety risks of the Fraudulent Vehicles because they:

3           A.     possessed exclusive knowledge that they were manufacturing, selling,  
4 and distributing vehicles throughout the United States that did not comply with EPA  
5 regulations;

6           B.     intentionally concealed the foregoing from regulators and Plaintiffs;  
7 and/or  
8

9           C.     made incomplete representations about the environmental cleanliness  
10 and efficiency of the Fraudulent Vehicles generally, and the use of the defeat device  
11 in particular, while purposefully withholding material facts from Plaintiffs that  
12 contradicted these representations.  
13

14           1029. Defendants concealed the illegal defeat device and the true emissions, efficiency,  
15 and performance of the “clean” diesel system, resulting in a raft of negative publicity once the  
16 defects finally began to be disclosed. The value of the Fraudulent Vehicles has therefore greatly  
17 diminished. In light of the stigma attached to those vehicles by Defendants’ conduct, they are  
18 now worth significantly less than they otherwise would be worth.  
19

20           1030. Defendants’ fraudulent use of the “defeat device” and its concealment of  
21 the true characteristics of the “clean” diesel engine system were material to Plaintiffs.  
22

23           1031. Defendants’ unfair or deceptive acts or practices were likely to and did in fact  
24 deceive regulators and reasonable consumers, including Plaintiffs, about the true environmental  
25 cleanliness and efficiency of Jeep- and Ram-branded vehicles, the quality of the Jeep and Ram  
26 brands, the devaluing of environmental cleanliness and integrity at Fiat Chrysler, and the true  
27 value of the Fraudulent Vehicles.  
28

1           1032. Plaintiffs suffered ascertainable loss and actual damages as a direct and proximate  
 2 result of Defendants' misrepresentations and its concealment of and failure to disclose material  
 3 information. Plaintiffs who purchased or leased the Fraudulent Vehicles would not have  
 4 purchased or leased them at all and/or—if the Fraudulent Vehicles' true nature had been  
 5 disclosed and mitigated, and the Fraudulent Vehicles rendered legal to sell—would have paid  
 6 significantly less for them. Plaintiffs also suffered diminished value of their vehicles, as well as  
 7 lost or diminished use.

9           1033. Defendants had an ongoing duty to all their customers to refrain from unfair and  
 10 deceptive practices under the Oklahoma CPA. All owners of Fraudulent Vehicles suffered  
 11 ascertainable loss in the form of the diminished value of their vehicles as a result of Defendants'  
 12 deceptive and unfair acts and practices made in the course of Defendants' business.

14           1034. Defendants' violations present a continuing risk to Plaintiffs as well as to the  
 15 general public. Defendants' unlawful acts and practices complained of herein affect the public  
 16 interest.

18           1035. As a direct and proximate result of Defendants' violations of the Oklahoma CPA,  
 19 Plaintiffs have suffered injury-in-fact and/or actual damage.

21           1036. Pursuant to Okla. Stat. Tit. 15 § 761.1, Plaintiffs seek an order enjoining  
 22 Defendants' unfair and/or deceptive acts or practices, damages, punitive damages, and attorneys'  
 23 fees, costs, and any other just and proper relief available under the Oklahoma CPA.

24                           **OKLAHOMA COUNT 2**  
 25                           **BREACH OF IMPLIED WARRANTY OF MERCHANTABILITY**  
 26                           **(Okla. Stat. Tit. 12A §§ 2-314 and 2A-212)**  
                               **(On behalf of the Oklahoma Plaintiffs)**

28           1037. Plaintiffs reallege and incorporate by reference all allegations of the preceding  
 paragraphs as though fully set forth herein.

1           1038. Defendants are and were at all relevant times “merchants” with respect to motor  
2 vehicles under Okla. Stat. Tit. 12A §§ 2-104(1) and 2-1103(3), and “sellers” of motor vehicles  
3 under § 2A-103(1)(t).

4           1039. With respect to leases, Defendants are and were at all relevant times “lessors” of  
5 motor vehicles under Okla. Stat. Tit. 12A § 2A-103(1)(p).

6           1040. The Fraudulent Vehicles are and were at all relevant times “goods” within the  
7 meaning of Okla. Stat. Tit. 12A §§ 2-105(1) and 2A-103(1)(h).

8           1041. A warranty that the Fraudulent Vehicles were in merchantable condition and fit  
9 for the ordinary purpose for which vehicles are used is implied by law pursuant to Okla. Stat. Tit.  
10 12A 13 §§ 2-314 and 2A-212.

11           1042. These Fraudulent Vehicles, when sold or leased and at all times thereafter, were  
12 not in merchantable condition and are not fit for the ordinary purpose for which vehicles are  
13 used. Specifically, the Fraudulent Vehicles are inherently defective in that they do not comply  
14 with federal and state emissions standards, rendering certain emissions functions inoperative; and  
15 the “clean” diesel engine system was not adequately designed, manufactured, and tested.  
16

17           1043. Defendants were provided notice of these issues by the investigations of the EPA  
18 and individual state regulators, numerous complaints filed against it including the instant  
19 Complaint, and by numerous individual letters and communications sent by Plaintiffs and others  
20 within a reasonable amount of time after the allegations of Fraudulent Vehicle defects became  
21 public.  
22

23           1044. As a direct and proximate result of the Defendants’ breach of the implied  
24 warranty of merchantability, Plaintiffs have been damaged in an amount to be proven at trial.  
25  
26  
27  
28

**OKLAHOMA COUNT 3**  
**BREACH OF EXPRESS WARRANTY**  
**(Okla. Stat. Tit. 12A §§ 2-313 and 2A-210)**  
**(On behalf of the Oklahoma Plaintiffs)**

1045. Plaintiffs reallege and incorporate by reference all preceding allegations as though fully set forth herein.

1046. Defendants are and were at all relevant times “merchants” with respect to motor vehicles under Okla. Stat. Tit. 12A §§ 2-104(1) and 2-1103(3), and “sellers” of motor vehicles under § 2A-103(1)(t).

1047. With respect to leases, Defendants are and were at all relevant times “lessors” of motor vehicles under Okla. Stat. Tit. 12A § 2A-103(1)(p).

1048. The Fraudulent Vehicles are and were at all relevant times “goods” within the meaning of Okla. Stat. Tit. 12A §§ 2-105(1), and 2A-103(1)(h).

1049. In connection with the purchase or lease of each one of its new vehicles, Defendants provide an express New Vehicle Limited Warranty (“NVLW”). This NVLW exists to cover “any repair to correct a manufacturers defect in materials or workmanship.”

1050. The Clean Air Act requires manufacturers of light-duty vehicles to provide two federal emission control warranties: a “Performance Warranty” and a “Design and Defect Warranty.”

1051. The EPA requires vehicle manufacturers to provide a Performance Warranty with respect to the vehicles’ emission systems. Thus, FCA also provides an express warranty for its vehicles through a Federal Emissions Performance Warranty. The Performance Warranty required by the EPA applies to repairs that are required during the first two years or 24,000 miles, whichever occurs first, when a vehicle fails an emissions test. Under this warranty, certain major emission control components are covered for the first eight years or 80,000 miles,

1 whichever comes first. These major emission control components subject to the longer warranty  
2 include the catalytic converters, the electronic emission control unit, and the onboard emission  
3 diagnostic device or computer.

4 1052. The EPA requires vehicle manufacturers to issue Design and Defect Warranties  
5 with respect to their vehicles' emission systems. Thus, Defendants also provide an express  
6 warranty for their vehicles through a Federal Emission Control System Defect Warranty. The  
7 Design and Defect Warranty required by the EPA covers repair of emission control or emission  
8 related parts which fail to function or function improperly because of a defect in materials or  
9 workmanship. This warranty provides protection for two years or 24,000 miles, whichever  
10 comes first, or, for the major emission control components, for eight years or 80,000 miles,  
11 whichever comes first.  
12

13  
14 1053. As manufacturers of light-duty vehicles, Defendants were required to provide these  
15 warranties to purchasers or lessees of their "clean" diesel vehicles.

16  
17 1054. Defendants' warranties formed a basis of the bargain that was reached when  
18 Plaintiffs and purchased or leased their Fraudulent Vehicles equipped with the non-compliant  
19 "clean" diesel engine and emission systems.

20 1055. Plaintiffs experienced defects within the warranty period. Despite the existence of  
21 warranties, Defendants failed to inform Plaintiffs that the Fraudulent Vehicles were intentionally  
22 designed and manufactured to be out of compliance with applicable state and federal emissions  
23 laws, and failed to fix the defective emission components free of charge.  
24

25 1056. Defendants breached the express warranty promising to repair and correct a  
26 manufacturing defect or materials or workmanship of any parts they supplied. Defendants have  
27 not repaired or adjusted, and have been unable to repair or adjust, the Fraudulent Vehicles'  
28

1 materials and workmanship defects.

2 1057. Furthermore, the limited warranty promising to repair and/or correct a  
3 manufacturing defect fails in its essential purpose because the contractual remedy is insufficient  
4 to make Plaintiffs whole and because Defendants have failed and/or have refused to adequately  
5 provide the promised remedies within a reasonable time.  
6

7 1058. Accordingly, recovery by Plaintiffs is not restricted to the limited warranty  
8 promising to repair and/or correct a manufacturing defect, and Plaintiffs seek all remedies as  
9 allowed by law.

10 1059. Also, as alleged in more detail herein, at the time Defendants warranted and sold  
11 or leased the Fraudulent Vehicles, they knew that the Fraudulent Vehicles were inherently  
12 defective and did not conform to their warranties; further, Defendants had wrongfully and  
13 fraudulently concealed material facts regarding the Fraudulent Vehicles. Plaintiffs were  
14 therefore induced to purchase or lease the Fraudulent Vehicles under false and/or fraudulent  
15 pretenses.  
16

17 1060. Moreover, many of the injuries flowing from the Fraudulent Vehicles cannot be  
18 resolved through the limited remedy of “replacements or adjustments,” as many incidental and  
19 consequential damages have already been suffered because of Defendants’ fraudulent conduct  
20 as alleged herein, and because of their failure and/or continued failure to provide such limited  
21 remedy within a reasonable time, and any limitation on Plaintiffs’ remedies would be  
22 insufficient to make Plaintiffs.  
23

24 1061. Finally, because of Defendants’ breach of warranty as set forth herein, Plaintiffs  
25 assert, as additional and/or alternative remedies, the revocation of acceptance of the goods and  
26 the return to Plaintiffs of the purchase or lease price of all Fraudulent Vehicles currently owned  
27  
28

1 or leased, and for such other incidental and consequential damages as allowed.

2 1062. Defendants were provided notice of these issues by numerous complaints filed  
3 against them, including the instant Complaint, within a reasonable amount of time after Fiat  
4 Chrysler was accused by the EPA and CARB of using a defeat device in the Fraudulent  
5 Vehicles to evade clean air standards.  
6

7 1063. As a direct and proximate result of Defendants' breach of express warranties,  
8 Plaintiffs have been damaged in an amount to be determined at trial.

9 **TEXAS COUNTS**

10 **TEXAS COUNT 1**  
11 **VIOLATIONS OF THE DECEPTIVE TRADE PRACTICES**  
12 **ACT – CONSUMER PROTECTION ACT**  
13 **(Tex. Bus. & Com. Code §§ 17.41, et seq.)**  
14 **(On behalf of the Texas Plaintiffs)**

15 1064. Plaintiffs incorporate by reference each preceding paragraph as though fully set  
16 forth herein.

17 1065. Plaintiffs are individuals, partnerships or corporations with assets of less than \$25  
18 million (or are controlled by corporations or entities with less than \$25 million in assets), see Tex.  
19 Bus. & Com. Code § 17.41, and are therefore “consumers” pursuant to Tex. Bus. & Com. Code §  
20 17.45(4). Defendants are “person[s]” within the meaning of Tex. Bus. & Com. Code § 17.45(3).

21 1066. Defendants are engaged in “trade” or “commerce” or “consumer transactions”  
22 within the meaning Tex. Bus. & Com. Code § 17.46(a).  
23

24 1067. The Texas Deceptive Trade Practices – Consumer Protection Act (“Texas DTPA”)  
25 prohibits “false, misleading, or deceptive acts or practices in the conduct of any trade or  
26 commerce,” Tex. Bus. & Com. Code § 17.46(a), and an “unconscionable action or course of  
27 action,” which means “an act or practice which, to a consumer’s detriment, takes advantage of the  
28

1 lack of knowledge, ability, experience, or capacity of the consumer to a grossly unfair degree.”  
2 Tex. Bus. & Com. Code §§ 17.45(5) and 17.50(a)(3).

3 1068. In the course of their business, Defendants concealed and suppressed material facts  
4 concerning the Fraudulent Vehicles. The Defendants installed software in their vehicles that  
5 enabled emissions controls for nitrogen oxide—a pollutant that contributes to health problems and  
6 global warming—to pass EPA emissions testing while at the same time disabling the same controls  
7 during real- world driving. Specifically, the software was designed to cheat emission testing by  
8 showing lower emissions during laboratory testing conditions than actually existed when the  
9 vehicle operated on the road. This deceptive practice enabled Defendants’ vehicles to pass  
10 emission certification tests through deliberately induced lower-than-real-world emissions  
11 readings.  
12

13  
14 1069. Plaintiffs had no way of discerning that Defendants’ representations were false  
15 and misleading because Defendants’ defeat device software was extremely sophisticated  
16 technology. Plaintiffs did not and could not unravel Defendants’ deception on their own.  
17

18 1070. Defendants thus violated the Act by, at minimum: knowingly representing that the  
19 Fraudulent Vehicles have uses and benefits which they do not have; representing that Fraudulent  
20 Vehicles are of a particular standard, quality, and grade when they are not; advertising Fraudulent  
21 Vehicles with the intent not to sell or lease them as advertised; and representing that the subject of  
22 a transaction involving Fraudulent Vehicles has been supplied in accordance with a previous  
23 representation when it was not; and knowingly making other false representations in a transaction.  
24

25 1071. Defendants engaged in misleading, false, unfair or deceptive acts or practices that  
26 violated the Texas UTPA by installing, failing to disclose and actively concealing the illegal  
27 defeat device and the true cleanliness and performance of the “clean” diesel engine system, by  
28



1 marketing its vehicles as legal, reliable, environmentally clean, efficient, and of high quality, and  
2 by presenting itself as a reputable manufacturer that valued environmental cleanliness and  
3 efficiency, and that stood behind its vehicles after they were sold.

4 1072. The Clean Air Act and EPA regulations require that automobiles limit their  
5 emissions output to specified levels. These laws are intended for the protection of public health  
6 and welfare. “Defeat devices” like those in the Fraudulent Vehicles are defined and prohibited  
7 by the Clean Air Act and its regulations. *See* 42 U.S.C. § 7522(a)(3)(B); 40 CFR § 86.1809. By  
8 installing illegal “defeat devices” in the Fraudulent Vehicles and by making those vehicles  
9 available for purchase, Defendants violated federal law and therefore engaged in conduct that  
10 violates the Texas UTPA.  
11

12 1073. Defendants knew the true nature of its “clean” diesel engine system, but concealed  
13 all of that information until recently. Defendants were also aware that it valued profits over  
14 environmental cleanliness, efficiency, and compliance with the law, and that it was  
15 manufacturing, selling, and distributing vehicles throughout the United States that did not  
16 comply with EPA regulations. Defendants concealed this information as well.  
17

18 1074. Defendants intentionally and knowingly misrepresented material facts regarding  
19 the Fraudulent Vehicles with intent to mislead Plaintiffs.  
20

21 1075. Defendants knew or should have known that their conduct violated the Texas  
22 UTPA.  
23

24 1076. Defendants owed Plaintiffs a duty to disclose the illegality and public health and  
25 safety risks of the Fraudulent Vehicles because they:

26 A. possessed exclusive knowledge that they were manufacturing, selling,  
27 and distributing vehicles throughout the United States that did not comply with EPA  
28

1 regulations;

2 B. intentionally concealed the foregoing from regulators and Plaintiffs;

3 and/or

4 C. made incomplete representations about the environmental cleanliness  
5 and efficiency of the Fraudulent Vehicles generally, and the use of the defeat device  
6 in particular, while purposefully withholding material facts from Plaintiffs that  
7 contradicted these representations.  
8

9 1077. Defendants concealed the illegal defeat device and the true emissions, efficiency,  
10 and performance of the “clean” diesel system, resulting in a raft of negative publicity once the  
11 defects finally began to be disclosed. The value of the Fraudulent Vehicles has therefore greatly  
12 diminished. In light of the stigma attached to those vehicles by Defendants’ conduct, they are  
13 now worth significantly less than they otherwise would be worth.  
14

15 1078. Defendants’ fraudulent use of the “defeat device” and its concealment of  
16 the true characteristics of the “clean” diesel engine system were material to Plaintiffs.  
17

18 1079. Defendants’ unfair or deceptive acts or practices were likely to and did in fact  
19 deceive regulators and reasonable consumers, including Plaintiffs, about the true environmental  
20 cleanliness and efficiency of Jeep- and Ram-branded vehicles, the quality of the Jeep and Ram  
21 brands, the devaluing of environmental cleanliness and integrity at Fiat Chrysler, and the true  
22 value of the Fraudulent Vehicles.  
23

24 1080. Plaintiffs suffered ascertainable loss and actual damages as a direct and proximate  
25 result of Defendants’ misrepresentations and its concealment of and failure to disclose material  
26 information. Plaintiffs who purchased or leased the Fraudulent Vehicles would not have  
27 purchased or leased them at all and/or—if the Fraudulent Vehicles’ true nature had been  
28

disclosed and mitigated, and the Fraudulent Vehicles rendered legal to sell—would have paid significantly less for them. Plaintiffs also suffered diminished value of their vehicles, as well as lost or diminished use.

1081. Defendants had an ongoing duty to all their customers to refrain from unfair and deceptive practices under the Texas UTPA. All owners of Fraudulent Vehicles suffered ascertainable loss in the form of the diminished value of their vehicles as a result of Defendants' deceptive and unfair acts and practices made in the course of Defendants' business.

1082. Defendants' violations present a continuing risk to Plaintiffs as well as to the general public. Defendants' unlawful acts and practices complained of herein affect the public interest.

1083. As a direct and proximate result of Defendants' violations of the Texas UTPA, Plaintiffs have suffered injury-in-fact and/or actual damage.

1084. Pursuant to Tex. Bus. & Com. Code § 17.50, Plaintiffs seek an order enjoining Defendants' unfair and/or deceptive acts or practices, damages, multiple damages for knowing and intentional violations, pursuant to § 17.50(b)(1), punitive damages, and attorneys' fees, costs, and any other just and proper relief available under the Texas DTPA.

**TEXAS COUNT 2**  
**BREACH OF IMPLIED WARRANTY OF MERCHANTABILITY**  
**(Tex. Bus. & Com. Code §§ 2.314 and 2A.212)**  
**(On behalf of the Texas Plaintiffs)**

1085. Plaintiffs reallege and incorporate by reference all allegations of the preceding paragraphs as though fully set forth herein.

1086. Defendants are and were at all relevant times "merchants" with respect to motor vehicles under Tex. Bus. & Com. Code § 2.104(1) and 2A.103(a)(20), and "sellers" of motor vehicles under § 2.103(a)(4).

1           1087. With respect to leases, Defendants are and were at all relevant times “lessors” of  
2 motor vehicles under “lessors” of motor vehicles under Tex. Bus. & Com. Code §  
3 2A.103(a)(16).

4           1088. The Fraudulent Vehicles are and were at all relevant times “goods” within the  
5 meaning of Tex. Bus. & Com. Code §§ 2.105(a) and 2A.103(a)(8).  
6

7           1089. A warranty that the Fraudulent Vehicles were in merchantable condition and fit  
8 for the ordinary purpose for which vehicles are used is implied by law pursuant to Tex. Bus. &  
9 Com. Code §§ 2.314 and 2A.212.

10           1090. These Fraudulent Vehicles, when sold or leased and at all times thereafter, were  
11 not in merchantable condition and are not fit for the ordinary purpose for which vehicles are  
12 used. Specifically, the Fraudulent Vehicles are inherently defective in that they do not comply  
13 with federal and state emissions standards, rendering certain emissions functions inoperative; and  
14 the “clean” diesel engine system was not adequately designed, manufactured, and tested.  
15

16           1091. Defendants were provided notice of these issues by the investigations of the EPA  
17 and individual state regulators, numerous complaints filed against it including the instant  
18 Complaint, and by numerous individual letters and communications sent by Plaintiffs and others  
19 within a reasonable amount of time after the allegations of Fraudulent Vehicle defects became  
20 public.  
21

22           1092. As a direct and proximate result of the Defendants’ breach of the implied  
23 warranty of merchantability, Plaintiffs have been damaged in an amount to be proven at trial.  
24  
25  
26  
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28

**TEXAS COUNT 3**  
**BREACH OF EXPRESS WARRANTY**  
**(Tex. Bus. & Com. Code §§ 2.313 and 2A.210)**  
**(On behalf of the Texas Plaintiffs)**

1093. Plaintiffs reallege and incorporate by reference all preceding allegations as though fully set forth herein.

1094. Defendants are and were at all relevant times “merchants” with respect to motor vehicles under Tex. Bus. & Com. Code § 2.104(1) and 2A.103(a)(20), and “sellers” of motor vehicles under § 2.103(a)(4).

1095. With respect to leases, Defendants are and were at all relevant times “lessors” of motor vehicles under Tex. Bus. & Com. Code § 2A.103(a)(16).

1096. The Fraudulent Vehicles are and were at all relevant times “goods” within the meaning of Tex. Bus. & Com. Code §§ 2.105(a) and 2A.103(a)(8).

1097. In connection with the purchase or lease of each one of its new vehicles, Defendants provide an express New Vehicle Limited Warranty (“NVLW”). This NVLW exists to cover “any repair to correct a manufacturers defect in materials or workmanship.”

1098. The Clean Air Act requires manufacturers of light-duty vehicles to provide two federal emission control warranties: a “Performance Warranty” and a “Design and Defect Warranty.”

1099. The EPA requires vehicle manufacturers to provide a Performance Warranty with respect to the vehicles’ emission systems. Thus, FCA also provides an express warranty for its vehicles through a Federal Emissions Performance Warranty. The Performance Warranty required by the EPA applies to repairs that are required during the first two years or 24,000 miles, whichever occurs first, when a vehicle fails an emissions test. Under this warranty, certain major emission control components are covered for the first eight years or 80,000 miles,

1 whichever comes first. These major emission control components subject to the longer warranty  
2 include the catalytic converters, the electronic emission control unit, and the onboard emission  
3 diagnostic device or computer.

4 1100. The EPA requires vehicle manufacturers to issue Design and Defect Warranties  
5 with respect to their vehicles' emission systems. Thus, Defendants also provide an express  
6 warranty for their vehicles through a Federal Emission Control System Defect Warranty. The  
7 Design and Defect Warranty required by the EPA covers repair of emission control or emission  
8 related parts which fail to function or function improperly because of a defect in materials or  
9 workmanship. This warranty provides protection for two years or 24,000 miles, whichever  
10 comes first, or, for the major emission control components, for eight years or 80,000 miles,  
11 whichever comes first.  
12

13  
14 1101. As manufacturers of light-duty vehicles, Defendants were required to provide these  
15 warranties to purchasers or lessees of their "clean" diesel vehicles.

16 1102. Defendants' warranties formed a basis of the bargain that was reached when  
17 Plaintiffs and purchased or leased their Fraudulent Vehicles equipped with the non-compliant  
18 "clean" diesel engine and emission systems.  
19

20 1103. Plaintiffs experienced defects within the warranty period. Despite the existence of  
21 warranties, Defendants failed to inform Plaintiffs that the Fraudulent Vehicles were intentionally  
22 designed and manufactured to be out of compliance with applicable state and federal emissions  
23 laws, and failed to fix the defective emission components free of charge.  
24

25 1104. Defendants breached the express warranty promising to repair and correct a  
26 manufacturing defect or materials or workmanship of any parts they supplied. Defendants have  
27 not repaired or adjusted, and have been unable to repair or adjust, the Fraudulent Vehicles'  
28

1 materials and workmanship defects.

2 1105. Furthermore, the limited warranty promising to repair and/or correct a  
3 manufacturing defect fails in its essential purpose because the contractual remedy is insufficient  
4 to make Plaintiffs whole and because Defendants have failed and/or have refused to adequately  
5 provide the promised remedies within a reasonable time.  
6

7 1106. Accordingly, recovery by Plaintiffs is not restricted to the limited warranty  
8 promising to repair and/or correct a manufacturing defect, and Plaintiffs seek all remedies as  
9 allowed by law.

10 1107. Also, as alleged in more detail herein, at the time Defendants warranted and sold  
11 or leased the Fraudulent Vehicles, they knew that the Fraudulent Vehicles were inherently  
12 defective and did not conform to their warranties; further, Defendants had wrongfully and  
13 fraudulently concealed material facts regarding the Fraudulent Vehicles. Plaintiffs were  
14 therefore induced to purchase or lease the Fraudulent Vehicles under false and/or fraudulent  
15 pretenses.  
16

17 1108. Moreover, many of the injuries flowing from the Fraudulent Vehicles cannot be  
18 resolved through the limited remedy of “replacements or adjustments,” as many incidental and  
19 consequential damages have already been suffered because of Defendants’ fraudulent conduct  
20 as alleged herein, and because of their failure and/or continued failure to provide such limited  
21 remedy within a reasonable time, and any limitation on Plaintiffs’ remedies would be  
22 insufficient to make Plaintiffs.  
23

24 1109. Finally, because of Defendants’ breach of warranty as set forth herein, Plaintiffs  
25 assert, as additional and/or alternative remedies, the revocation of acceptance of the goods and  
26 the return to Plaintiffs of the purchase or lease price of all Fraudulent Vehicles currently owned  
27  
28

1 or leased, and for such other incidental and consequential damages as allowed.

2 1110. Defendants were provided notice of these issues by numerous complaints filed  
3 against them, including the instant Complaint, within a reasonable amount of time after Fiat  
4 Chrysler was accused by the EPA and CARB of using a defeat device in the Fraudulent  
5 Vehicles to evade clean air standards.  
6

7 1111. As a direct and proximate result of Defendants' breach of express warranties,  
8 Plaintiffs have been damaged in an amount to be determined at trial.

9 **UTAH COUNTS**

10 **UTAH COUNT 1**  
11 **VIOLATIONS OF UTAH CONSUMER SALES PRACTICES ACT**  
12 **(Utah Code Ann. § 13-11-1, et seq.)**  
13 **(On behalf of the Utah Plaintiffs)**

14 1112. Plaintiffs incorporate by reference each preceding paragraph as though fully set  
15 forth herein.

16 1113. Plaintiffs are "persons" under the Utah Consumer Sales Practices Act ("Utah  
17 CSPA"), Utah Code § 13-11-3(5). The sales and leases of the Fraudulent Vehicles to the Plaintiffs  
18 were "consumer transactions" within the meaning of Utah Code § 13-11-3(2).

19 1114. Defendants are "supplier[s]" within the meaning of Utah Code § 13-11-3(6).

20 1115. The Utah CSPA makes unlawful any "deceptive act or practice by a supplier in  
21 connection with a consumer transaction." Specifically, "a supplier commits a deceptive act or  
22 practice if the supplier knowingly or intentionally: (a) indicates that the subject of a consumer  
23 transaction has sponsorship, approval, performance characteristics, accessories, uses, or benefits,  
24 if it has not" or "(b) indicates that the subject of a consumer transaction is of a particular standard,  
25 quality, grade, style, or model, if it is not." Utah Code § 13-11-4. "An unconscionable act or  
26  
27  
28



1 practice by a supplier in connection with a consumer transaction” also violates the Utah CSPA.  
2 Utah Code § 13-11-5.

3 1116. In the course of their business, Defendants concealed and suppressed material facts  
4 concerning the Fraudulent Vehicles. The Defendants installed software in their vehicles that  
5 enabled emissions controls for nitrogen oxide—a pollutant that contributes to health problems and  
6 global warming—to pass EPA emissions testing while at the same time disabling the same controls  
7 during real- world driving. Specifically, the software was designed to cheat emission testing by  
8 showing lower emissions during laboratory testing conditions than actually existed when the  
9 vehicle operated on the road. This deceptive practice enabled Defendants’ vehicles to pass  
10 emission certification tests through deliberately induced lower-than-real-world emissions  
11 readings.  
12

13  
14 1117. Plaintiffs had no way of discerning that Defendants’ representations were false  
15 and misleading because Defendants’ defeat device software was extremely sophisticated  
16 technology. Plaintiffs did not and could not unravel Defendants’ deception on their own.  
17

18 1118. Defendants thus violated the Act by, at minimum: knowingly representing that the  
19 Fraudulent Vehicles have uses and benefits which they do not have; representing that Fraudulent  
20 Vehicles are of a particular standard, quality, and grade when they are not; advertising Fraudulent  
21 Vehicles with the intent not to sell or lease them as advertised; and representing that the subject of  
22 a transaction involving Fraudulent Vehicles has been supplied in accordance with a previous  
23 representation when it was not; and knowingly making other false representations in a transaction.  
24

25 1119. Defendants engaged in misleading, false, unfair or deceptive acts or practices that  
26 violated the Utah CSPA by installing, failing to disclose and actively concealing the illegal defeat  
27 device and the true cleanliness and performance of the “clean” diesel engine system, by  
28

1 marketing its vehicles as legal, reliable, environmentally clean, efficient, and of high quality, and  
2 by presenting itself as a reputable manufacturer that valued environmental cleanliness and  
3 efficiency, and that stood behind its vehicles after they were sold.

4 1120. The Clean Air Act and EPA regulations require that automobiles limit their  
5 emissions output to specified levels. These laws are intended for the protection of public health  
6 and welfare. “Defeat devices” like those in the Fraudulent Vehicles are defined and prohibited  
7 by the Clean Air Act and its regulations. *See* 42 U.S.C. § 7522(a)(3)(B); 40 CFR § 86.1809. By  
8 installing illegal “defeat devices” in the Fraudulent Vehicles and by making those vehicles  
9 available for purchase, Defendants violated federal law and therefore engaged in conduct that  
10 violates the Utah CSPA.  
11

12 1121. Defendants knew the true nature of its “clean” diesel engine system, but concealed  
13 all of that information until recently. Defendants were also aware that it valued profits over  
14 environmental cleanliness, efficiency, and compliance with the law, and that it was  
15 manufacturing, selling, and distributing vehicles throughout the United States that did not  
16 comply with EPA regulations. Defendants concealed this information as well.  
17

18 1122. Defendants intentionally and knowingly misrepresented material facts regarding  
19 the Fraudulent Vehicles with intent to mislead Plaintiffs.  
20

21 1123. Defendants knew or should have known that their conduct violated the Utah  
22 CSPA.  
23

24 1124. Defendants owed Plaintiffs a duty to disclose the illegality and public health and  
25 safety risks of the Fraudulent Vehicles because they:

26 A. possessed exclusive knowledge that they were manufacturing, selling,  
27 and distributing vehicles throughout the United States that did not comply with EPA  
28

1 regulations;

2 B. intentionally concealed the foregoing from regulators and Plaintiffs;

3 and/or

4 C. made incomplete representations about the environmental cleanliness  
5 and efficiency of the Fraudulent Vehicles generally, and the use of the defeat device  
6 in particular, while purposefully withholding material facts from Plaintiffs that  
7 contradicted these representations.  
8

9 1125. Defendants concealed the illegal defeat device and the true emissions, efficiency,  
10 and performance of the “clean” diesel system, resulting in a raft of negative publicity once the  
11 defects finally began to be disclosed. The value of the Fraudulent Vehicles has therefore greatly  
12 diminished. In light of the stigma attached to those vehicles by Defendants’ conduct, they are  
13 now worth significantly less than they otherwise would be worth.  
14

15 1126. Defendants’ fraudulent use of the “defeat device” and its concealment of  
16 the true characteristics of the “clean” diesel engine system were material to Plaintiffs.  
17

18 1127. Defendants’ unfair or deceptive acts or practices were likely to and did in fact  
19 deceive regulators and reasonable consumers, including Plaintiffs, about the true environmental  
20 cleanliness and efficiency of Jeep- and Ram-branded vehicles, the quality of the Jeep and Ram  
21 brands, the devaluing of environmental cleanliness and integrity at Fiat Chrysler, and the true  
22 value of the Fraudulent Vehicles.  
23

24 1128. Plaintiffs suffered ascertainable loss and actual damages as a direct and proximate  
25 result of Defendants’ misrepresentations and its concealment of and failure to disclose material  
26 information. Plaintiffs who purchased or leased the Fraudulent Vehicles would not have  
27 purchased or leased them at all and/or—if the Fraudulent Vehicles’ true nature had been  
28

disclosed and mitigated, and the Fraudulent Vehicles rendered legal to sell—would have paid significantly less for them. Plaintiffs also suffered diminished value of their vehicles, as well as lost or diminished use.

1129. Defendants had an ongoing duty to all their customers to refrain from unfair and deceptive practices under the Utah CSPA. All owners of Fraudulent Vehicles suffered ascertainable loss in the form of the diminished value of their vehicles as a result of Defendants' deceptive and unfair acts and practices made in the course of Defendants' business.

1130. Defendants' violations present a continuing risk to Plaintiffs as well as to the general public. Defendants' unlawful acts and practices complained of herein affect the public interest.

1131. As a direct and proximate result of Defendants' violations of the Utah CSPA, Plaintiffs have suffered injury-in-fact and/or actual damage.

1132. Defendants' violations present a continuing risk to Plaintiffs as well as to the general public. Defendants' unlawful acts and practices complained of herein affect the public interest.

1133. Plaintiffs seeks all relief to which they are entitled under the Utah CSPA.

**UTAH COUNT 2**  
**BREACH OF IMPLIED WARRANTY OF MERCHANTABILITY**  
**(Utah Code §§ 70A-2-314 and 70A-2A-212)**  
**(On behalf of the Utah Plaintiffs)**

1134. Plaintiffs reallege and incorporate by reference all allegations of the preceding paragraphs as though fully set forth herein.

1135. Defendants are and were at all relevant times "merchants" with respect to motor vehicles under Utah Code § 70A-2-104(1) and 70A-2a-103(1)(t), and "sellers" of motor vehicles under § 70A-2-103(1)(d).

1 1136. With respect to leases, Defendants are and were at all relevant times “lessors” of  
2 motor vehicles under Utah Code § 70A-2a-103(1)(p).

3 1137. The Fraudulent Vehicles are and were at all relevant times “goods” within the  
4 meaning of Utah Code §§ 70A-2-105(1) and 70A-2a-103(1)(h).

5 1138. A warranty that the Fraudulent Vehicles were in merchantable condition and fit  
6 for the ordinary purpose for which vehicles are used is implied by law pursuant to Utah Code §§  
7 70A-2-314 and 70A-2a-212.

8 1139. These Fraudulent Vehicles, when sold or leased and at all times thereafter, were  
9 not in merchantable condition and are not fit for the ordinary purpose for which vehicles are  
10 used. Specifically, the Fraudulent Vehicles are inherently defective in that they do not comply  
11 with federal and state emissions standards, rendering certain emissions functions inoperative; and  
12 the “clean” diesel engine system was not adequately designed, manufactured, and tested.  
13

14 1140. Defendants were provided notice of these issues by the investigations of the EPA  
15 and individual state regulators, numerous complaints filed against it including the instant  
16 Complaint, and by numerous individual letters and communications sent by Plaintiffs and others  
17 within a reasonable amount of time after the allegations of Fraudulent Vehicle defects became  
18 public.  
19

20 1141. As a direct and proximate result of the Defendants’ breach of the implied  
21 warranty of merchantability, Plaintiffs have been damaged in an amount to be proven at trial.  
22

23  
24 **UTAH COUNT 3**  
25 **BREACH OF EXPRESS WARRANTY**  
26 **(Utah Code §§ 70A-2-313 and 70A-2A-210)**  
27 **(On behalf of the Utah Plaintiffs)**

28 1142. Plaintiffs reallege and incorporate by reference all preceding allegations as though  
fully set forth herein.

1           1143. Defendants are and were at all relevant times “merchants” with respect to motor  
2 vehicles under Utah Code § 70A-2-104(1) and 70A-2a-103(1)(t), and “sellers” of motor vehicles  
3 under § 70A-2-103(1)(d).

4           1144. With respect to leases, Defendants are and were at all relevant times “lessors” of  
5 motor vehicles under Utah Code § 70A-2a-103(1)(p).

6           1145. The Fraudulent Vehicles are and were at all relevant times “goods” within the  
7 meaning of Utah Code §§ 70A-2-105(1) and 70A-2a-103(1)(h).

8           1146. In connection with the purchase or lease of each one of its new vehicles,  
9 Defendants provide an express New Vehicle Limited Warranty (“NVLW”). This NVLW exists  
10 to cover “any repair to correct a manufacturers defect in materials or workmanship.”  
11

12           1147. The Clean Air Act requires manufacturers of light-duty vehicles to provide two  
13 federal emission control warranties: a “Performance Warranty” and a “Design and Defect  
14 Warranty.”  
15

16           1148. The EPA requires vehicle manufacturers to provide a Performance Warranty with  
17 respect to the vehicles’ emission systems. Thus, FCA also provides an express warranty for its  
18 vehicles through a Federal Emissions Performance Warranty. The Performance Warranty  
19 required by the EPA applies to repairs that are required during the first two years or 24,000  
20 miles, whichever occurs first, when a vehicle fails an emissions test. Under this warranty, certain  
21 major emission control components are covered for the first eight years or 80,000 miles,  
22 whichever comes first. These major emission control components subject to the longer warranty  
23 include the catalytic converters, the electronic emission control unit, and the onboard emission  
24 diagnostic device or computer.  
25  
26  
27  
28

1           1149. The EPA requires vehicle manufacturers to issue Design and Defect Warranties  
2 with respect to their vehicles' emission systems. Thus, Defendants also provide an express  
3 warranty for their vehicles through a Federal Emission Control System Defect Warranty. The  
4 Design and Defect Warranty required by the EPA covers repair of emission control or emission  
5 related parts which fail to function or function improperly because of a defect in materials or  
6 workmanship. This warranty provides protection for two years or 24,000 miles, whichever  
7 comes first, or, for the major emission control components, for eight years or 80,000 miles,  
8 whichever comes first.  
9

10           1150. As manufacturers of light-duty vehicles, Defendants were required to provide these  
11 warranties to purchasers or lessees of their "clean" diesel vehicles.  
12

13           1151. Defendants' warranties formed a basis of the bargain that was reached when  
14 Plaintiffs and purchased or leased their Fraudulent Vehicles equipped with the non-compliant  
15 "clean" diesel engine and emission systems.  
16

17           1152. Plaintiffs experienced defects within the warranty period. Despite the existence of  
18 warranties, Defendants failed to inform Plaintiffs that the Fraudulent Vehicles were intentionally  
19 designed and manufactured to be out of compliance with applicable state and federal emissions  
20 laws, and failed to fix the defective emission components free of charge.  
21

22           1153. Defendants breached the express warranty promising to repair and correct a  
23 manufacturing defect or materials or workmanship of any parts they supplied. Defendants have  
24 not repaired or adjusted, and have been unable to repair or adjust, the Fraudulent Vehicles'  
25 materials and workmanship defects.  
26

27           1154. Furthermore, the limited warranty promising to repair and/or correct a  
28 manufacturing defect fails in its essential purpose because the contractual remedy is insufficient

1 to make Plaintiffs whole and because Defendants have failed and/or have refused to adequately  
2 provide the promised remedies within a reasonable time.

3 1155. Accordingly, recovery by Plaintiffs is not restricted to the limited warranty  
4 promising to repair and/or correct a manufacturing defect, and Plaintiffs seek all remedies as  
5 allowed by law.  
6

7 1156. Also, as alleged in more detail herein, at the time Defendants warranted and sold  
8 or leased the Fraudulent Vehicles, they knew that the Fraudulent Vehicles were inherently  
9 defective and did not conform to their warranties; further, Defendants had wrongfully and  
10 fraudulently concealed material facts regarding the Fraudulent Vehicles. Plaintiffs were  
11 therefore induced to purchase or lease the Fraudulent Vehicles under false and/or fraudulent  
12 pretenses.  
13

14 1157. Moreover, many of the injuries flowing from the Fraudulent Vehicles cannot be  
15 resolved through the limited remedy of “replacements or adjustments,” as many incidental and  
16 consequential damages have already been suffered because of Defendants’ fraudulent conduct  
17 as alleged herein, and because of their failure and/or continued failure to provide such limited  
18 remedy within a reasonable time, and any limitation on Plaintiffs’ remedies would be  
19 insufficient to make Plaintiffs.  
20

21 1158. Finally, because of Defendants’ breach of warranty as set forth herein, Plaintiffs  
22 assert, as additional and/or alternative remedies, the revocation of acceptance of the goods and  
23 the return to Plaintiffs of the purchase or lease price of all Fraudulent Vehicles currently owned  
24 or leased, and for such other incidental and consequential damages as allowed.  
25

26 1159. Defendants were provided notice of these issues by numerous complaints filed  
27 against them, including the instant Complaint, within a reasonable amount of time after Fiat  
28



Chrysler was accused by the EPA and CARB of using a defeat device in the Fraudulent Vehicles to evade clean air standards.

1160. As a direct and proximate result of Defendants' breach of express warranties, Plaintiffs have been damaged in an amount to be determined at trial.

## **VIRGINIA COUNTS**

### **VIRGINIA COUNT 1 VIOLATIONS OF THE VIRGINIA CONSUMER PROTECTION ACT (Va. Code Ann. §§ 59.1-196, et seq.) (On behalf of the Virginia Plaintiffs)**

1161. Plaintiffs incorporate by reference each preceding paragraph as though fully set forth herein.

1162. Defendants and Plaintiffs are "persons" within the meaning of Va. Code § 59.1-198.

1163. Defendants are "supplier[s]" within the meaning of Va. Code § 59.1-198.

1164. The Virginia Consumer Protection Act ("Virginia CPA") makes unlawful "fraudulent acts or practices." Va. Code § 59.1-200(A).

1165. In the course of their business, Defendants concealed and suppressed material facts concerning the Fraudulent Vehicles. The Defendants installed software in their vehicles that enabled emissions controls for nitrogen oxide—a pollutant that contributes to health problems and global warming—to pass EPA emissions testing while at the same time disabling the same controls during real- world driving. Specifically, the software was designed to cheat emission testing by showing lower emissions during laboratory testing conditions than actually existed when the vehicle operated on the road. This deceptive practice enabled Defendants' vehicles to pass emission certification tests through deliberately induced lower-than-real-world emissions readings.

1           1166. Plaintiffs had no way of discerning that Defendants' representations were false  
2 and misleading because Defendants' defeat device software was extremely sophisticated  
3 technology. Plaintiffs did not and could not unravel Defendants' deception on their own.

4           1167. Defendants thus violated the Act by, at minimum: knowingly representing that the  
5 Fraudulent Vehicles have uses and benefits which they do not have; representing that Fraudulent  
6 Vehicles are of a particular standard, quality, and grade when they are not; advertising Fraudulent  
7 Vehicles with the intent not to sell or lease them as advertised; and representing that the subject of  
8 a transaction involving Fraudulent Vehicles has been supplied in accordance with a previous  
9 representation when it was not; and knowingly making other false representations in a transaction.  
10

11           1168. Defendants engaged in misleading, false, unfair or deceptive acts or practices that  
12 violated the Virginia CPA by installing, failing to disclose and actively concealing the illegal  
13 defeat device and the true cleanliness and performance of the "clean" diesel engine system, by  
14 marketing its vehicles as legal, reliable, environmentally clean, efficient, and of high quality, and  
15 by presenting itself as a reputable manufacturer that valued environmental cleanliness and  
16 efficiency, and that stood behind its vehicles after they were sold.  
17

18           1169. The Clean Air Act and EPA regulations require that automobiles limit their  
19 emissions output to specified levels. These laws are intended for the protection of public health  
20 and welfare. "Defeat devices" like those in the Fraudulent Vehicles are defined and prohibited  
21 by the Clean Air Act and its regulations. *See* 42 U.S.C. § 7522(a)(3)(B); 40 CFR § 86.1809. By  
22 installing illegal "defeat devices" in the Fraudulent Vehicles and by making those vehicles  
23 available for purchase, Defendants violated federal law and therefore engaged in conduct that  
24 violates the Virginia CPA.  
25

26           1170. Defendants knew the true nature of its "clean" diesel engine system, but concealed  
27  
28

1 all of that information until recently. Defendants were also aware that it valued profits over  
2 environmental cleanliness, efficiency, and compliance with the law, and that it was  
3 manufacturing, selling, and distributing vehicles throughout the United States that did not  
4 comply with EPA regulations. Defendants concealed this information as well.

5 1171. Defendants intentionally and knowingly misrepresented material facts regarding  
6 the Fraudulent Vehicles with intent to mislead Plaintiffs.

7 1172. Defendants knew or should have known that their conduct violated the Virginia  
8 CPA.

9 1173. Defendants owed Plaintiffs a duty to disclose the illegality and public health and  
10 safety risks of the Fraudulent Vehicles because they:  
11

12 A. possessed exclusive knowledge that they were manufacturing, selling,  
13 and distributing vehicles throughout the United States that did not comply with EPA  
14 regulations;  
15

16 B. intentionally concealed the foregoing from regulators and Plaintiffs;  
17 and/or  
18

19 C. made incomplete representations about the environmental cleanliness  
20 and efficiency of the Fraudulent Vehicles generally, and the use of the defeat device  
21 in particular, while purposefully withholding material facts from Plaintiffs that  
22 contradicted these representations.  
23

24 1174. Defendants concealed the illegal defeat device and the true emissions, efficiency,  
25 and performance of the “clean” diesel system, resulting in a raft of negative publicity once the  
26 defects finally began to be disclosed. The value of the Fraudulent Vehicles has therefore greatly  
27 diminished. In light of the stigma attached to those vehicles by Defendants’ conduct, they are  
28

1 now worth significantly less than they otherwise would be worth.

2 1175. Defendants' fraudulent use of the "defeat device" and its concealment of  
3 the true characteristics of the "clean" diesel engine system were material to Plaintiffs.

4 1176. Defendants' unfair or deceptive acts or practices were likely to and did in fact  
5 deceive regulators and reasonable consumers, including Plaintiffs, about the true environmental  
6 cleanliness and efficiency of Jeep- and Ram-branded vehicles, the quality of the Jeep and Ram  
7 brands, the devaluing of environmental cleanliness and integrity at Fiat Chrysler, and the true  
8 value of the Fraudulent Vehicles.  
9

10 1177. Plaintiffs suffered ascertainable loss and actual damages as a direct and proximate  
11 result of Defendants' misrepresentations and its concealment of and failure to disclose material  
12 information. Plaintiffs who purchased or leased the Fraudulent Vehicles would not have  
13 purchased or leased them at all and/or—if the Fraudulent Vehicles' true nature had been  
14 disclosed and mitigated, and the Fraudulent Vehicles rendered legal to sell—would have paid  
15 significantly less for them. Plaintiffs also suffered diminished value of their vehicles, as well as  
16 lost or diminished use.  
17  
18

19 1178. Defendants had an ongoing duty to all their customers to refrain from unfair and  
20 deceptive practices under the Virginia CPA. All owners of Fraudulent Vehicles suffered  
21 ascertainable loss in the form of the diminished value of their vehicles as a result of Defendants'  
22 deceptive and unfair acts and practices made in the course of Defendants' business.  
23

24 1179. Defendants' violations present a continuing risk to Plaintiffs as well as to the  
25 general public. Defendants' unlawful acts and practices complained of herein affect the public  
26 interest.  
27

28 1180. As a direct and proximate result of Defendants' violations of the Virginia CPA,

1 Plaintiffs have suffered injury-in-fact and/or actual damage.

2 1181. Pursuant to Va. Code § 59.1-204(A)–(B), Plaintiffs are entitled to the greater of  
3 actual damages or \$500 for each Plaintiff, attorneys’ fees, and costs. Because Defendants’ actions  
4 were willful, Plaintiffs should each receive the greater of treble damages or \$1,000. *Id.*

5  
6 **VIRGINIA COUNT 2**  
7 **BREACH OF IMPLIED WARRANTY OF MERCHANTABILITY**  
8 **(Va. Code §§ 8.2-314 and 8.2A-212)**  
9 **(Breach of Implied Warranty)**

10 1182. Plaintiffs reallege and incorporate by reference all allegations of the preceding  
11 paragraphs as though fully set forth herein.

12 1183. Defendants are and were at all relevant times “merchants” with respect to motor  
13 vehicles under Va. Code § 8.2-104(1) and 8.2A-103(1)(t), and “sellers” of motor vehicles under  
14 § 8.2-103(1)(d).

15 1184. With respect to leases, Defendants are and were at all relevant times “lessors” of  
16 motor vehicles under Va. Code § 8.2A-103(1)(p).

17 1185. The Fraudulent Vehicles are and were at all relevant times “goods” within the  
18 meaning of Va. Code §§ 8.2-105(1) and 8.2A-103(1)(h).

19 1186. A warranty that the Fraudulent Vehicles were in merchantable condition and fit  
20 for the ordinary purpose for which vehicles are used is implied by law pursuant to Va. Code §§  
21 8.2-314 and 8.2A-212.

22 1187. These Fraudulent Vehicles, when sold or leased and at all times thereafter, were  
23 not in merchantable condition and are not fit for the ordinary purpose for which vehicles are  
24 used. Specifically, the Fraudulent Vehicles are inherently defective in that they do not comply  
25 with federal and state emissions standards, rendering certain emissions functions inoperative; and  
26 the “clean” diesel engine system was not adequately designed, manufactured, and tested.  
27  
28

1 1188. Defendants were provided notice of these issues by the investigations of the EPA  
 2 and individual state regulators, numerous complaints filed against it including the instant  
 3 Complaint, and by numerous individual letters and communications sent by Plaintiffs and others  
 4 within a reasonable amount of time after the allegations of Fraudulent Vehicle defects became  
 5 public.

6  
 7 1189. As a direct and proximate result of the Defendants' breach of the implied  
 8 warranty of merchantability, Plaintiffs have been damaged in an amount to be proven at trial.

9  
 10 **VIRGINIA COUNT 3**  
 11 **BREACH OF EXPRESS WARRANTY**  
 12 **(Va. Code §§ 8.2-313 and 8.2A-210)**  
 13 **(On behalf of the Virginia Plaintiffs)**

14 1190. Plaintiffs reallege and incorporate by reference all preceding allegations as though  
 15 fully set forth herein.

16 1191. Defendants are and were at all relevant times "merchants" with respect to motor  
 17 vehicles under Va. Code § 8.2-104(1) and 8.2A-103(1)(t), and "sellers" of motor vehicles under §  
 18 8.2-103(1)(d). With respect to leases, Defendants are and were at all relevant times "lessors" of  
 19 motor vehicles under N.R.S. § 104A.2103(1)(p).

20 1192. The Fraudulent Vehicles are and were at all relevant times "goods" within the  
 21 meaning of Va. Code §§ 8.2-105(1) and 8.2A-103(1)(h).

22 1193. In connection with the purchase or lease of each one of its new vehicles,  
 23 Defendants provide an express New Vehicle Limited Warranty ("NVLW"). This NVLW exists  
 24 to cover "any repair to correct a manufacturers defect in materials or workmanship."

25 1194. The Clean Air Act requires manufacturers of light-duty vehicles to provide two  
 26 federal emission control warranties: a "Performance Warranty" and a "Design and Defect  
 27 Warranty."  
 28

1           1195. The EPA requires vehicle manufacturers to provide a Performance Warranty with  
2 respect to the vehicles' emission systems. Thus, FCA also provides an express warranty for its  
3 vehicles through a Federal Emissions Performance Warranty. The Performance Warranty  
4 required by the EPA applies to repairs that are required during the first two years or 24,000  
5 miles, whichever occurs first, when a vehicle fails an emissions test. Under this warranty, certain  
6 major emission control components are covered for the first eight years or 80,000 miles,  
7 whichever comes first. These major emission control components subject to the longer warranty  
8 include the catalytic converters, the electronic emission control unit, and the onboard emission  
9 diagnostic device or computer.  
10

11           1196. The EPA requires vehicle manufacturers to issue Design and Defect Warranties  
12 with respect to their vehicles' emission systems. Thus, Defendants also provide an express  
13 warranty for their vehicles through a Federal Emission Control System Defect Warranty. The  
14 Design and Defect Warranty required by the EPA covers repair of emission control or emission  
15 related parts which fail to function or function improperly because of a defect in materials or  
16 workmanship. This warranty provides protection for two years or 24,000 miles, whichever  
17 comes first, or, for the major emission control components, for eight years or 80,000 miles,  
18 whichever comes first.  
19  
20

21           1197. As manufacturers of light-duty vehicles, Defendants were required to provide these  
22 warranties to purchasers or lessees of their "clean" diesel vehicles.  
23

24           1198. Defendants' warranties formed a basis of the bargain that was reached when  
25 Plaintiffs and purchased or leased their Fraudulent Vehicles equipped with the non-compliant  
26 "clean" diesel engine and emission systems.  
27  
28

1           1199. Plaintiffs experienced defects within the warranty period. Despite the existence of  
2 warranties, Defendants failed to inform Plaintiffs that the Fraudulent Vehicles were intentionally  
3 designed and manufactured to be out of compliance with applicable state and federal emissions  
4 laws, and failed to fix the defective emission components free of charge.

5           1200. Defendants breached the express warranty promising to repair and correct a  
6 manufacturing defect or materials or workmanship of any parts they supplied. Defendants have  
7 not repaired or adjusted, and have been unable to repair or adjust, the Fraudulent Vehicles'  
8 materials and workmanship defects.

9           1201. Furthermore, the limited warranty promising to repair and/or correct a  
10 manufacturing defect fails in its essential purpose because the contractual remedy is insufficient  
11 to make Plaintiffs whole and because Defendants have failed and/or have refused to adequately  
12 provide the promised remedies within a reasonable time.

13           1202. Accordingly, recovery by Plaintiffs is not restricted to the limited warranty  
14 promising to repair and/or correct a manufacturing defect, and Plaintiffs seek all remedies as  
15 allowed by law.

16           1203. Also, as alleged in more detail herein, at the time Defendants warranted and sold  
17 or leased the Fraudulent Vehicles, they knew that the Fraudulent Vehicles were inherently  
18 defective and did not conform to their warranties; further, Defendants had wrongfully and  
19 fraudulently concealed material facts regarding the Fraudulent Vehicles. Plaintiffs were  
20 therefore induced to purchase or lease the Fraudulent Vehicles under false and/or fraudulent  
21 pretenses.

22           1204. Moreover, many of the injuries flowing from the Fraudulent Vehicles cannot be  
23 resolved through the limited remedy of "replacements or adjustments," as many incidental and  
24  
25  
26  
27  
28



1 consequential damages have already been suffered because of Defendants' fraudulent conduct  
 2 as alleged herein, and because of their failure and/or continued failure to provide such limited  
 3 remedy within a reasonable time, and any limitation on Plaintiffs' remedies would be  
 4 insufficient to make Plaintiffs.

5 1205. Finally, because of Defendants' breach of warranty as set forth herein, Plaintiffs  
 6 assert, as additional and/or alternative remedies, the revocation of acceptance of the goods and  
 7 the return to Plaintiffs of the purchase or lease price of all Fraudulent Vehicles currently owned  
 8 or leased, and for such other incidental and consequential damages as allowed.

9 1206. Defendants were provided notice of these issues by numerous complaints filed  
 10 against them, including the instant Complaint, within a reasonable amount of time after Fiat  
 11 Chrysler was accused by the EPA and CARB of using a defeat device in the Fraudulent  
 12 Vehicles to evade clean air standards.

13 1207. As a direct and proximate result of Defendants' breach of express warranties,  
 14 Plaintiffs have been damaged in an amount to be determined at trial.

### 15 **WASHINGTON COUNTS**

#### 16 **WASHINGTON COUNT 1** 17 **VIOLATIONS OF THE WASHINGTON CONSUMER PROTECTION ACT** 18 **(Wash. Rev. Code Ann. §§ 19.86.010, et seq.)** 19 **(On behalf of the Washington Plaintiffs)**

20 1208. Plaintiffs incorporate by reference each preceding paragraph as though fully set  
 21 forth herein.

22 1209. Defendants and Plaintiff are "persons" within the meaning of Wash. Rev. Code §  
 23 19.86.010(2).

24 1210. Defendants are engaged in "trade" or "commerce" within the meaning of Wash.  
 25 Rev. Code § 19.86.010(2).  
 26  
 27  
 28

1           1211. The Washington Consumer Protection Act (“Washington CPA”) makes unlawful  
2 “[u]nfair methods of competition and unfair or deceptive acts or practices in the conduct of any  
3 trade or commerce.” Wash. Rev. Code § 19.86.020.

4           1212. In the course of their business, Defendants concealed and suppressed material facts  
5 concerning the Fraudulent Vehicles. The Defendants installed software in their vehicles that  
6 enabled emissions controls for nitrogen oxide—a pollutant that contributes to health problems and  
7 global warming—to pass EPA emissions testing while at the same time disabling the same controls  
8 during real- world driving. Specifically, the software was designed to cheat emission testing by  
9 showing lower emissions during laboratory testing conditions than actually existed when the  
10 vehicle operated on the road. This deceptive practice enabled Defendants’ vehicles to pass  
11 emission certification tests through deliberately induced lower-than-real-world emissions  
12 readings.  
13

14  
15           1213. Plaintiffs had no way of discerning that Defendants’ representations were false  
16 and misleading because Defendants’ defeat device software was extremely sophisticated  
17 technology. Plaintiffs did not and could not unravel Defendants’ deception on their own.  
18

19           1214. Defendants thus violated the Act by, at minimum: knowingly representing that the  
20 Fraudulent Vehicles have uses and benefits which they do not have; representing that Fraudulent  
21 Vehicles are of a particular standard, quality, and grade when they are not; advertising Fraudulent  
22 Vehicles with the intent not to sell or lease them as advertised; and representing that the subject of  
23 a transaction involving Fraudulent Vehicles has been supplied in accordance with a previous  
24 representation when it was not; and knowingly making other false representations in a transaction.  
25

26           1215. Defendants engaged in misleading, false, unfair or deceptive acts or practices that  
27 violated the Washington CPA by installing, failing to disclose and actively concealing the illegal  
28

1 defeat device and the true cleanliness and performance of the “clean” diesel engine system, by  
 2 marketing its vehicles as legal, reliable, environmentally clean, efficient, and of high quality, and  
 3 by presenting itself as a reputable manufacturer that valued environmental cleanliness and  
 4 efficiency, and that stood behind its vehicles after they were sold.

5 1216. The Clean Air Act and EPA regulations require that automobiles limit their  
 6 emissions output to specified levels. These laws are intended for the protection of public health  
 7 and welfare. “Defeat devices” like those in the Fraudulent Vehicles are defined and prohibited  
 8 by the Clean Air Act and its regulations. *See* 42 U.S.C. § 7522(a)(3)(B); 40 CFR § 86.1809. By  
 9 installing illegal “defeat devices” in the Fraudulent Vehicles and by making those vehicles  
 10 available for purchase, Defendants violated federal law and therefore engaged in conduct that  
 11 violates the Washington CPA.  
 12

13 1217. Defendants knew the true nature of its “clean” diesel engine system, but concealed  
 14 all of that information until recently. Defendants were also aware that it valued profits over  
 15 environmental cleanliness, efficiency, and compliance with the law, and that it was  
 16 manufacturing, selling, and distributing vehicles throughout the United States that did not  
 17 comply with EPA regulations. Defendants concealed this information as well.  
 18

19 1218. Defendants intentionally and knowingly misrepresented material facts regarding  
 20 the Fraudulent Vehicles with intent to mislead Plaintiffs.  
 21

22 1219. Defendants knew or should have known that their conduct violated the  
 23 Washington CPA.  
 24

25 1220. Defendants owed Plaintiffs a duty to disclose the illegality and public health and  
 26 safety risks of the Fraudulent Vehicles because they:

27 A. possessed exclusive knowledge that they were manufacturing, selling,  
 28

1 and distributing vehicles throughout the United States that did not comply with EPA  
2 regulations;

3 B. intentionally concealed the foregoing from regulators and Plaintiffs;  
4 and/or

5 C. made incomplete representations about the environmental cleanliness  
6 and efficiency of the Fraudulent Vehicles generally, and the use of the defeat device  
7 in particular, while purposefully withholding material facts from Plaintiffs that  
8 contradicted these representations.  
9

10 1221. Defendants concealed the illegal defeat device and the true emissions, efficiency,  
11 and performance of the “clean” diesel system, resulting in a raft of negative publicity once the  
12 defects finally began to be disclosed. The value of the Fraudulent Vehicles has therefore greatly  
13 diminished. In light of the stigma attached to those vehicles by Defendants’ conduct, they are  
14 now worth significantly less than they otherwise would be worth.  
15

16 1222. Defendants’ fraudulent use of the “defeat device” and its concealment of  
17 the true characteristics of the “clean” diesel engine system were material to Plaintiffs.  
18

19 1223. Defendants’ unfair or deceptive acts or practices were likely to and did in fact  
20 deceive regulators and reasonable consumers, including Plaintiffs, about the true environmental  
21 cleanliness and efficiency of Jeep- and Ram-branded vehicles, the quality of the Jeep and Ram  
22 brands, the devaluing of environmental cleanliness and integrity at Fiat Chrysler, and the true  
23 value of the Fraudulent Vehicles.  
24

25 1224. Plaintiffs suffered ascertainable loss and actual damages as a direct and proximate  
26 result of Defendants’ misrepresentations and its concealment of and failure to disclose material  
27 information. Plaintiffs who purchased or leased the Fraudulent Vehicles would not have  
28

1 purchased or leased them at all and/or—if the Fraudulent Vehicles’ true nature had been  
 2 disclosed and mitigated, and the Fraudulent Vehicles rendered legal to sell—would have paid  
 3 significantly less for them. Plaintiffs also suffered diminished value of their vehicles, as well as  
 4 lost or diminished use.

5 1225. Defendants had an ongoing duty to all their customers to refrain from unfair and  
 6 deceptive practices under the Washington CPA. All owners of Fraudulent Vehicles suffered  
 7 ascertainable loss in the form of the diminished value of their vehicles as a result of Defendants’  
 8 deceptive and unfair acts and practices made in the course of Defendants’ business.

9 1226. Defendants’ violations present a continuing risk to Plaintiffs as well as to the  
 10 general public. Defendants’ unlawful acts and practices complained of herein affect the public  
 11 interest.

12 1227. As a direct and proximate result of Defendants’ violations of the Washington  
 13 CPA, Plaintiffs have suffered injury-in-fact and/or actual damage.

14 1228. Pursuant to Wash. Rev. Code § 19.86.090, Plaintiffs seek an order enjoining  
 15 Defendants’s unfair and/or deceptive acts or practices, damages, punitive damages, and attorneys’  
 16 fees, costs, and any other just and proper relief available under the Washington CPA. Because  
 17 Defendants’ actions were willful and knowing, Plaintiffs’ damages should be trebled. *Id.*

18  
 19  
 20  
 21 **WASHINGTON COUNT 2**  
 22 **BREACH OF IMPLIED WARRANTY OF MERCHANTABILITY**  
 23 **(Wash. Rev. Code §§ 62A.2-314 and 62A.2A-212)**  
 24 **(On behalf of the Washington Plaintiffs)**

25 1229. Plaintiffs reallege and incorporate by reference all allegations of the preceding  
 26 paragraphs as though fully set forth herein.

1           1230. Defendants are and were at all relevant times “merchants” with respect to motor  
2 vehicles under Wash. Rev. Code § 62A.2-104(1) and 62A.2A-103(1)(t), and “sellers” of motor  
3 vehicles under § 2.103(a)(4).

4           1231. With respect to leases, Defendants are and were at all relevant times “lessors” of  
5 motor vehicles under Wash. Rev. Code § 62A.2A-103(1)(p).

6           1232. The Fraudulent Vehicles are and were at all relevant times “goods” within the  
7 meaning of Wash. Rev. Code §§ 62A.2-105(1) and 62A.2A-103(1)(h).

8           1233. A warranty that the Fraudulent Vehicles were in merchantable condition and fit  
9 for the ordinary purpose for which vehicles are used is implied by law pursuant to Wash. Rev.  
10 Code §§ 62A.2-314 and 62A.2A-212.

11           1234. These Fraudulent Vehicles, when sold or leased and at all times thereafter, were  
12 not in merchantable condition and are not fit for the ordinary purpose for which vehicles are  
13 used. Specifically, the Fraudulent Vehicles are inherently defective in that they do not comply  
14 with federal and state emissions standards, rendering certain emissions functions inoperative; and  
15 the “clean” diesel engine system was not adequately designed, manufactured, and tested.  
16

17           1235. Defendants were provided notice of these issues by the investigations of the EPA  
18 and individual state regulators, numerous complaints filed against it including the instant  
19 Complaint, and by numerous individual letters and communications sent by Plaintiffs and others  
20 within a reasonable amount of time after the allegations of Fraudulent Vehicle defects became  
21 public.  
22

23           1236. As a direct and proximate result of the Defendants’ breach of the implied  
24 warranty of merchantability, Plaintiffs have been damaged in an amount to be proven at trial.  
25  
26  
27  
28

**WASHINGTON COUNT 3**  
**BREACH OF EXPRESS WARRANTY**  
**(Wash. Rev. Code §§ 62A.2-313 and 62A.2A-210)**  
**(On behalf of the Washington Plaintiffs)**

1237. Plaintiffs reallege and incorporate by reference all preceding allegations as though fully set forth herein.

1238. Defendants are and were at all relevant times “merchants” with respect to motor vehicles under Wash. Rev. Code § 62A.2-104(1) and 62A.2A-103(1)(t), and “sellers” of motor vehicles under § 2.103(a)(4).

1239. With respect to leases, Defendants are and were at all relevant times “lessors” of motor vehicles under Wash. Rev. Code § 62A.2A-103(1)(p).

1240. The Fraudulent Vehicles are and were at all relevant times “goods” within the meaning of Wash. Rev. Code §§ 62A.2-105(1) and 62A.2A-103(1)(h).

1241. In connection with the purchase or lease of each one of its new vehicles, Defendants provide an express New Vehicle Limited Warranty (“NVLW”). This NVLW exists to cover “any repair to correct a manufacturers defect in materials or workmanship.”

1242. The Clean Air Act requires manufacturers of light-duty vehicles to provide two federal emission control warranties: a “Performance Warranty” and a “Design and Defect Warranty.”

1243. The EPA requires vehicle manufacturers to provide a Performance Warranty with respect to the vehicles’ emission systems. Thus, FCA also provides an express warranty for its vehicles through a Federal Emissions Performance Warranty. The Performance Warranty required by the EPA applies to repairs that are required during the first two years or 24,000 miles, whichever occurs first, when a vehicle fails an emissions test. Under this warranty, certain major emission control components are covered for the first eight years or 80,000 miles,

1 whichever comes first. These major emission control components subject to the longer warranty  
2 include the catalytic converters, the electronic emission control unit, and the onboard emission  
3 diagnostic device or computer.

4 1244. The EPA requires vehicle manufacturers to issue Design and Defect Warranties  
5 with respect to their vehicles' emission systems. Thus, Defendants also provide an express  
6 warranty for their vehicles through a Federal Emission Control System Defect Warranty. The  
7 Design and Defect Warranty required by the EPA covers repair of emission control or emission  
8 related parts which fail to function or function improperly because of a defect in materials or  
9 workmanship. This warranty provides protection for two years or 24,000 miles, whichever  
10 comes first, or, for the major emission control components, for eight years or 80,000 miles,  
11 whichever comes first.  
12

13  
14 1245. As manufacturers of light-duty vehicles, Defendants were required to provide these  
15 warranties to purchasers or lessees of their "clean" diesel vehicles.

16 1246. Defendants' warranties formed a basis of the bargain that was reached when  
17 Plaintiffs and purchased or leased their Fraudulent Vehicles equipped with the non-compliant  
18 "clean" diesel engine and emission systems.  
19

20 1247. Plaintiffs experienced defects within the warranty period. Despite the existence of  
21 warranties, Defendants failed to inform Plaintiffs that the Fraudulent Vehicles were intentionally  
22 designed and manufactured to be out of compliance with applicable state and federal emissions  
23 laws, and failed to fix the defective emission components free of charge.  
24

25 1248. Defendants breached the express warranty promising to repair and correct a  
26 manufacturing defect or materials or workmanship of any parts they supplied. Defendants have  
27 not repaired or adjusted, and have been unable to repair or adjust, the Fraudulent Vehicles'  
28



1 materials and workmanship defects.

2 1249. Furthermore, the limited warranty promising to repair and/or correct a  
3 manufacturing defect fails in its essential purpose because the contractual remedy is insufficient  
4 to make Plaintiffs whole and because Defendants have failed and/or have refused to adequately  
5 provide the promised remedies within a reasonable time.  
6

7 1250. Accordingly, recovery by Plaintiffs is not restricted to the limited warranty  
8 promising to repair and/or correct a manufacturing defect, and Plaintiffs seek all remedies as  
9 allowed by law.

10 1251. Also, as alleged in more detail herein, at the time Defendants warranted and sold  
11 or leased the Fraudulent Vehicles, they knew that the Fraudulent Vehicles were inherently  
12 defective and did not conform to their warranties; further, Defendants had wrongfully and  
13 fraudulently concealed material facts regarding the Fraudulent Vehicles. Plaintiffs were  
14 therefore induced to purchase or lease the Fraudulent Vehicles under false and/or fraudulent  
15 pretenses.  
16

17 1252. Moreover, many of the injuries flowing from the Fraudulent Vehicles cannot be  
18 resolved through the limited remedy of “replacements or adjustments,” as many incidental and  
19 consequential damages have already been suffered because of Defendants’ fraudulent conduct  
20 as alleged herein, and because of their failure and/or continued failure to provide such limited  
21 remedy within a reasonable time, and any limitation on Plaintiffs’ remedies would be  
22 insufficient to make Plaintiffs.  
23

24 1253. Finally, because of Defendants’ breach of warranty as set forth herein, Plaintiffs  
25 assert, as additional and/or alternative remedies, the revocation of acceptance of the goods and  
26 the return to Plaintiffs of the purchase or lease price of all Fraudulent Vehicles currently owned  
27  
28

1 or leased, and for such other incidental and consequential damages as allowed.

2 1254. Defendants were provided notice of these issues by numerous complaints filed  
3 against them, including the instant Complaint, within a reasonable amount of time after Fiat  
4 Chrysler was accused by the EPA and CARB of using a defeat device in the Fraudulent  
5 Vehicles to evade clean air standards.  
6

7 1255. As a direct and proximate result of Defendants' breach of express warranties,  
8 Plaintiffs have been damaged in an amount to be determined at trial.

9 **WASHINGTON COUNT 4**  
10 **WASHINGTON LEMON LAW**  
11 **(Wash. Rev. Code § 19.118.005, et al.)**  
12 **(On behalf of the Washington Plaintiffs)**

13 1256. Plaintiff own or lease "new motor vehicles" within the meaning of Wash. Rev.  
14 Code § 19.118.021(12), because these vehicles are self-propelled primarily designed for the  
15 transportation of persons or property over the public highways and were originally purchased or  
16 leased at retail from a new motor vehicle dealer or leasing company in Washington. These  
17 vehicles do not include vehicles purchased or leased by a business as part of a fleet of ten or  
18 more vehicles at one time or under a single purchase or lease agreement or those portions of a  
19 motor home designated, used, or maintained primarily as a mobile dwelling, office, or  
20 commercial space.  
21

22 1257. Defendants are "manufacturer[s]" of the Fraudulent Vehicles within the meaning  
23 of Wash. Rev. Code § 19.118.021(8) because it is in the business of constructing or assembling  
24 new motor vehicles or is engaged in the business of importing new motor vehicles into the  
25 United States for the purpose of selling or distributing new motor vehicles to new motor vehicle  
26 dealers.  
27  
28

1           1258. Plaintiffs are “consumers” within the meaning of Wash. Rev. Code §  
2 19.118.021(4) because they entered into an agreement or contract for the transfer, lease, or  
3 purchase of a new motor vehicle, other than for purposes of resale or sublease, during the  
4 eligibility period as defined by Wash. Rev. Code § 19.118.021(6). 3324. The Fraudulent  
5 Vehicles did not conform to their warranties as defined by Wash. Rev. Code § 19.118.021(22),  
6 during the “eligibility period,” defined by Wash. Rev. Code § 19.118.021(6), or the coverage  
7 period under the applicable written warranty because they were not cleaner vehicles and  
8 contained a “defeat device” designed to circumvent state and federal emissions standards. Wash.  
9 Rev. Code § 19.118.031. These devices did in fact circumvent emissions standards and  
10 substantially impaired the use, market value, and safety of their motor vehicles.  
11

12           1259. Defendants had actual knowledge of the conformities during warranty periods.  
13 But the nonconformities continued to exist throughout this term, as they have not been fixed.  
14

15           1260. Plaintiffs are excused from notifying Defendants of the nonconformities because  
16 it was already fully aware of the problem—as it intentionally created it—and any repair attempt  
17 is futile.  
18

19           1261. Defendants has had a reasonable opportunity to cure the nonconformities because  
20 of its actual knowledge of, creation of, and attempt to conceal the nonconformities, but has not  
21 done so as required under Wash. Rev. Code § 19.118.031.  
22

23           1262. For vehicles purchased, Plaintiffs demand a full refund of the contract price, all  
24 collateral charges, and incidental costs. Wash. Rev. Code § 19.118.041(1)(b). For vehicles  
25 leased, Plaintiffs demand all payments made under the lease including but not limited to all lease  
26 payments, trade-in value or inception payment, security deposit, and all collateral charges and  
27 incidental costs. The consumer is also relieved of any future obligation to the lessor or lienholder.  
28

1 Id. Plaintiffs reject an offer of replacement and will retain their vehicles until payment is  
2 tendered.

3 **WISCONSIN**

4 **WISCONSIN COUNT 1**  
5 **VIOLATIONS OF THE WISCONSIN**  
6 **DECEPTIVE TRADE PRACTICES ACT**  
7 **(Wis. Stat. § 100.18)**  
8 **(On behalf of the Wisconsin Plaintiffs)**

9 1263. Plaintiffs incorporate by reference each preceding paragraph as though fully set  
10 forth herein.

11 1264. Plaintiffs are members of “the public” within the meaning of Wis. Stat. §  
12 100.18(1). Plaintiffs purchased or leased one or more Fraudulent Vehicles.

13 1265. Plaintiffs are “persons” under the Wisconsin Deceptive Trade Practices Act  
14 (“Wisconsin DTPA”), Wis. Stat. § 100.18(1).

15 1266. Defendants are a “person, firm, corporation or association” within the meaning of  
16 Wis. Stat. § 100.18(1).

17 1267. The Wisconsin DTPA makes unlawful any “representation or statement of fact  
18 which is untrue, deceptive or misleading.” Wis. Stat. § 100.18(1).

19 1268. In the course of their business, Defendants concealed and suppressed material facts  
20 concerning the Fraudulent Vehicles. The Defendants installed software in their vehicles that  
21 enabled emissions controls for nitrogen oxide—a pollutant that contributes to health problems  
22 and global warming—to pass EPA emissions testing while at the same time disabling the same  
23 controls during real- world driving. Specifically, the software was designed to cheat emission  
24 testing by showing lower emissions during laboratory testing conditions then actually existed  
25 when the vehicle operated on the road. This deceptive practice enabled Defendants’ vehicles to  
26  
27  
28

1 pass emission certification tests through deliberately induced lower-than-real-world emissions  
2 readings.

3 1269. Plaintiffs had no way of discerning that Defendants' representations were false  
4 and misleading because Defendants' defeat device software was extremely sophisticated  
5 technology. Plaintiffs did not and could not unravel Defendants' deception on their own.  
6

7 1270. Defendants thus violated the Act by, at minimum: knowingly representing that the  
8 Fraudulent Vehicles have uses and benefits which they do not have; representing that Fraudulent  
9 Vehicles are of a particular standard, quality, and grade when they are not; advertising Fraudulent  
10 Vehicles with the intent not to sell or lease them as advertised; and representing that the subject of  
11 a transaction involving Fraudulent Vehicles has been supplied in accordance with a previous  
12 representation when it was not; and knowingly making other false representations in a transaction.  
13

14 1271. Defendants engaged in misleading, false, unfair or deceptive acts or practices that  
15 violated the Wisconsin DTPA by installing, failing to disclose and actively concealing the illegal  
16 defeat device and the true cleanliness and performance of the "clean" diesel engine system, by  
17 marketing its vehicles as legal, reliable, environmentally clean, efficient, and of high quality, and  
18 by presenting itself as a reputable manufacturer that valued environmental cleanliness and  
19 efficiency, and that stood behind its vehicles after they were sold.  
20

21 1272. The Clean Air Act and EPA regulations require that automobiles limit their  
22 emissions output to specified levels. These laws are intended for the protection of public health  
23 and welfare. "Defeat devices" like those in the Fraudulent Vehicles are defined and prohibited  
24 by the Clean Air Act and its regulations. *See* 42 U.S.C. § 7522(a)(3)(B); 40 CFR § 86.1809. By  
25 installing illegal "defeat devices" in the Fraudulent Vehicles and by making those vehicles  
26 available for purchase, Defendants violated federal law and therefore engaged in conduct that  
27  
28

1 violates the Wisconsin DTPA.

2 1273. Defendants knew the true nature of its “clean” diesel engine system, but concealed  
3 all of that information until recently. Defendants were also aware that it valued profits over  
4 environmental cleanliness, efficiency, and compliance with the law, and that it was  
5 manufacturing, selling, and distributing vehicles throughout the United States that did not  
6 comply with EPA regulations. Defendants concealed this information as well.  
7

8 1274. Defendants intentionally and knowingly misrepresented material facts regarding  
9 the Fraudulent Vehicles with intent to mislead Plaintiffs.  
10

11 1275. Defendants knew or should have known that their conduct violated the Wisconsin  
12 DTPA.

13 1276. Defendants owed Plaintiffs a duty to disclose the illegality and public health and  
14 safety risks of the Fraudulent Vehicles because they:

15 A. possessed exclusive knowledge that they were manufacturing, selling,  
16 and distributing vehicles throughout the United States that did not comply with EPA  
17 regulations;  
18

19 B. intentionally concealed the foregoing from regulators and Plaintiffs;  
20 and/or

21 C. made incomplete representations about the environmental cleanliness  
22 and efficiency of the Fraudulent Vehicles generally, and the use of the defeat device  
23 in particular, while purposefully withholding material facts from Plaintiffs that  
24 contradicted these representations.  
25

26 1277. Defendants concealed the illegal defeat device and the true emissions, efficiency,  
27 and performance of the “clean” diesel system, resulting in a raft of negative publicity once the  
28

1 defects finally began to be disclosed. The value of the Fraudulent Vehicles has therefore greatly  
2 diminished. In light of the stigma attached to those vehicles by Defendants' conduct, they are  
3 now worth significantly less than they otherwise would be worth.

4 1278. Defendants' fraudulent use of the "defeat device" and its concealment of  
5 the true characteristics of the "clean" diesel engine system were material to Plaintiffs.  
6

7 1279. Defendants' unfair or deceptive acts or practices were likely to and did in fact  
8 deceive regulators and reasonable consumers, including Plaintiffs, about the true environmental  
9 cleanliness and efficiency of Jeep- and Ram-branded vehicles, the quality of the Jeep and Ram  
10 brands, the devaluing of environmental cleanliness and integrity at Fiat Chrysler, and the true  
11 value of the Fraudulent Vehicles.  
12

13 1280. Plaintiffs suffered ascertainable loss and actual damages as a direct and proximate  
14 result of Defendants' misrepresentations and its concealment of and failure to disclose material  
15 information. Plaintiffs who purchased or leased the Fraudulent Vehicles would not have  
16 purchased or leased them at all and/or—if the Fraudulent Vehicles' true nature had been  
17 disclosed and mitigated, and the Fraudulent Vehicles rendered legal to sell—would have paid  
18 significantly less for them. Plaintiffs also suffered diminished value of their vehicles, as well as  
19 lost or diminished use.  
20

21 1281. Defendants had an ongoing duty to all their customers to refrain from unfair and  
22 deceptive practices under the Wisconsin DTPA. All owners of Fraudulent Vehicles suffered  
23 ascertainable loss in the form of the diminished value of their vehicles as a result of Defendants'  
24 deceptive and unfair acts and practices made in the course of Defendants' business.  
25

26 1282. Defendants' violations present a continuing risk to Plaintiffs as well as to the  
27 general public. Defendants' unlawful acts and practices complained of herein affect the public  
28

1 interest.

2 1283. As a direct and proximate result of Defendants' violations of the Wisconsin  
3 DTPA, Plaintiffs have suffered injury-in-fact and/or actual damage.

4 1284. Plaintiffs seek damages, court costs and attorneys' fees under Wis. Stat. §  
5 00.18(11)(b)(2), and any other just and proper relief available under the Wisconsin DTPA.  
6

7 **WISCONSIN COUNT 2**  
8 **BREACH OF IMPLIED WARRANTY OF MERCHANTABILITY**  
9 **(Wis. Stat. §§ 402.314 and 411.212)**  
10 **(On behalf of the Wisconsin Plaintiffs)**

11 1285. Plaintiffs reallege and incorporate by reference all allegations of the preceding  
12 paragraphs as though fully set forth herein.

13 1286. Defendants are and were at all relevant times "merchants" with respect to motor  
14 vehicles under Wis. Stat. § 402.104(3) and 411.103(1)(t), and "sellers" of motor vehicles under §  
15 402.103(1)(d).

16 1287. With respect to leases, Defendants are and were at all relevant times "lessors" of  
17 motor vehicles under Wis. Stat. § 411.103(1)(p).

18 1288. The Fraudulent Vehicles are and were at all relevant times "goods" within the  
19 meaning of Wis. Stat. §§ 402.105(1)(c) and 411.103(1)(h).  
20

21 1289. A warranty that the Fraudulent Vehicles were in merchantable condition and fit  
22 for the ordinary purpose for which vehicles are used is implied by law pursuant to N Wis. Stat.  
23 §§ 402.314 and 411.212.

24 1290. These Fraudulent Vehicles, when sold or leased and at all times thereafter, were  
25 not in merchantable condition and are not fit for the ordinary purpose for which vehicles are  
26 used. Specifically, the Fraudulent Vehicles are inherently defective in that they do not comply  
27  
28



1 with federal and state emissions standards, rendering certain emissions functions inoperative; and  
 2 the “clean” diesel engine system was not adequately designed, manufactured, and tested.

3 1291. Defendants were provided notice of these issues by the investigations of the EPA  
 4 and individual state regulators, numerous complaints filed against it including the instant  
 5 Complaint, and by numerous individual letters and communications sent by Plaintiffs and others  
 6 within a reasonable amount of time after the allegations of Fraudulent Vehicle defects became  
 7 public.  
 8

9 1292. As a direct and proximate result of the Defendants’ breach of the implied  
 10 warranty of merchantability, Plaintiffs have been damaged in an amount to be proven at trial.  
 11

12 **WISCONSIN COUNT 3**  
 13 **BREACH OF EXPRESS WARRANTY**  
 14 **(Wis. Stat. §§ 402.313 and 411.210)**  
 15 **(On behalf of the Wisconsin Plaintiffs)**

16 1293. Plaintiffs reallege and incorporate by reference all preceding allegations as though  
 17 fully set forth herein.

18 1294. Defendants are and were at all relevant times “merchants” with respect to motor  
 19 vehicles under Wis. Stat. § 402.104(3) and 411.103(1)(t), and “sellers” of motor vehicles under §  
 20 402.103(1)(d).

21 1295. With respect to leases, Defendants are and were at all relevant times “lessors” of  
 22 motor vehicles under Wis. Stat. § 411.103(1)(p).

23 1296. The Fraudulent Vehicles are and were at all relevant times “goods” within the  
 24 meaning of Wis. Stat. §§ 402.105(1)(c) and 411.103(1)(h).

25 1297. In connection with the purchase or lease of each one of its new vehicles,  
 26 Defendants provide an express New Vehicle Limited Warranty (“NVLW”). This NVLW exists  
 27 to cover “any repair to correct a manufacturers defect in materials or workmanship.”  
 28

1           1298. The Clean Air Act requires manufacturers of light-duty vehicles to provide two  
2 federal emission control warranties: a “Performance Warranty” and a “Design and Defect  
3 Warranty.”

4           1299. The EPA requires vehicle manufacturers to provide a Performance Warranty with  
5 respect to the vehicles’ emission systems. Thus, FCA also provides an express warranty for its  
6 vehicles through a Federal Emissions Performance Warranty. The Performance Warranty  
7 required by the EPA applies to repairs that are required during the first two years or 24,000  
8 miles, whichever occurs first, when a vehicle fails an emissions test. Under this warranty, certain  
9 major emission control components are covered for the first eight years or 80,000 miles,  
10 whichever comes first. These major emission control components subject to the longer warranty  
11 include the catalytic converters, the electronic emission control unit, and the onboard emission  
12 diagnostic device or computer.  
13  
14

15           1300. The EPA requires vehicle manufacturers to issue Design and Defect Warranties  
16 with respect to their vehicles’ emission systems. Thus, Defendants also provide an express  
17 warranty for their vehicles through a Federal Emission Control System Defect Warranty. The  
18 Design and Defect Warranty required by the EPA covers repair of emission control or emission  
19 related parts which fail to function or function improperly because of a defect in materials or  
20 workmanship. This warranty provides protection for two years or 24,000 miles, whichever  
21 comes first, or, for the major emission control components, for eight years or 80,000 miles,  
22 whichever comes first.  
23  
24

25           1301. As manufacturers of light-duty vehicles, Defendants were required to provide these  
26 warranties to purchasers or lessees of their “clean” diesel vehicles.  
27  
28

1           1302. Defendants' warranties formed a basis of the bargain that was reached when  
2 Plaintiffs and purchased or leased their Fraudulent Vehicles equipped with the non-compliant  
3 "clean" diesel engine and emission systems.

4           1303. Plaintiffs experienced defects within the warranty period. Despite the existence of  
5 warranties, Defendants failed to inform Plaintiffs that the Fraudulent Vehicles were intentionally  
6 designed and manufactured to be out of compliance with applicable state and federal emissions  
7 laws, and failed to fix the defective emission components free of charge.

8  
9           1304. Defendants breached the express warranty promising to repair and correct a  
10 manufacturing defect or materials or workmanship of any parts they supplied. Defendants have  
11 not repaired or adjusted, and have been unable to repair or adjust, the Fraudulent Vehicles'  
12 materials and workmanship defects.

13  
14           1305. Furthermore, the limited warranty promising to repair and/or correct a  
15 manufacturing defect fails in its essential purpose because the contractual remedy is insufficient  
16 to make Plaintiffs whole and because Defendants have failed and/or have refused to adequately  
17 provide the promised remedies within a reasonable time.

18  
19           1306. Accordingly, recovery by Plaintiffs is not restricted to the limited warranty  
20 promising to repair and/or correct a manufacturing defect, and Plaintiffs seek all remedies as  
21 allowed by law.

22  
23           1307. Also, as alleged in more detail herein, at the time Defendants warranted and sold  
24 or leased the Fraudulent Vehicles, they knew that the Fraudulent Vehicles were inherently  
25 defective and did not conform to their warranties; further, Defendants had wrongfully and  
26 fraudulently concealed material facts regarding the Fraudulent Vehicles. Plaintiffs were  
27 therefore induced to purchase or lease the Fraudulent Vehicles under false and/or fraudulent  
28

1 pretenses.

2 1308. Moreover, many of the injuries flowing from the Fraudulent Vehicles cannot be  
3 resolved through the limited remedy of “replacements or adjustments,” as many incidental and  
4 consequential damages have already been suffered because of Defendants’ fraudulent conduct  
5 as alleged herein, and because of their failure and/or continued failure to provide such limited  
6 remedy within a reasonable time, and any limitation on Plaintiffs’ remedies would be  
7 insufficient to make Plaintiffs.  
8

9 1309. Finally, because of Defendants’ breach of warranty as set forth herein, Plaintiffs  
10 assert, as additional and/or alternative remedies, the revocation of acceptance of the goods and  
11 the return to Plaintiffs of the purchase or lease price of all Fraudulent Vehicles currently owned  
12 or leased, and for such other incidental and consequential damages as allowed.  
13

14 1310. Defendants were provided notice of these issues by numerous complaints filed  
15 against them, including the instant Complaint, within a reasonable amount of time after Fiat  
16 Chrysler was accused by the EPA and CARB of using a defeat device in the Fraudulent  
17 Vehicles to evade clean air standards.  
18

19 1311. As a direct and proximate result of Defendants’ breach of express warranties,  
20 Plaintiffs have been damaged in an amount to be determined at trial.  
21

## 22 **WYOMING COUNTS**

### 23 **WYOMING COUNT 1** 24 **VIOLATIONS OF THE WYOMING CONSUMER PROTECTION ACT** 25 **(Wyo. Stat. §§ 40-12-101, et seq.)** **(On behalf of the Wyoming Plaintiffs)**

26 1312. Plaintiffs incorporate by reference each preceding paragraph as though fully set  
27 forth herein.  
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1           1313. Plaintiffs and Defendants are “persons” within the meaning of Wyo. Stat. § 40-12-  
2 102(a)(i).

3           1314. The Fraudulent Vehicles are “merchandise” pursuant to Wyo. Stat. § 40-12-102(a).

4           1315. Each sale or lease of a Fraudulent Vehicle to a Plaintiff was a “consumer  
5 transaction” as defined by Wyo. Stat. § 40-12-102(a)(ii). These consumer transactions occurred  
6 “in the course of [Defendants’] business” under Wyo. Stat. § 40-12-105(a). Plaintiffs purchased  
7 or leased one or more Fraudulent Vehicles.  
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9           1316. The Wyoming Consumer Protection Act (“Wyoming CPA”) prohibits unlawful  
10 deceptive trade practices, including when a seller: “(i) Represents that merchandise has a source,  
11 origin, sponsorship, approval, accessories, or uses it does not have;” “(iii) Represents that  
12 merchandise is of a particular standard, grade, style or model, if it is not;” “(x) Advertises  
13 merchandise with intent not to sell it as advertised;” “(xv) Engages in unfair or deceptive acts or  
14 practices.” Wyo. Stat. §§ 40-12-105(a).  
15

16           1317. In the course of their business, Defendants concealed and suppressed material facts  
17 concerning the Fraudulent Vehicles. The Defendants installed software in their vehicles that  
18 enabled emissions controls for nitrogen oxide—a pollutant that contributes to health problems and  
19 global warming—to pass EPA emissions testing while at the same time disabling the same controls  
20 during real- world driving. Specifically, the software was designed to cheat emission testing by  
21 showing lower emissions during laboratory testing conditions than actually existed when the  
22 vehicle operated on the road. This deceptive practice enabled Defendants’ vehicles to pass  
23 emission certification tests through deliberately induced lower-than-real-world emissions  
24 readings.  
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27           1318. Plaintiffs had no way of discerning that Defendants’ representations were false  
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1 and misleading because Defendants' defeat device software was extremely sophisticated  
2 technology. Plaintiffs did not and could not unravel Defendants' deception on their own.

3 1319. Defendants thus violated the Act by, at minimum: knowingly representing that the  
4 Fraudulent Vehicles have uses and benefits which they do not have; representing that Fraudulent  
5 Vehicles are of a particular standard, quality, and grade when they are not; advertising Fraudulent  
6 Vehicles with the intent not to sell or lease them as advertised; and representing that the subject of  
7 a transaction involving Fraudulent Vehicles has been supplied in accordance with a previous  
8 representation when it was not; and knowingly making other false representations in a transaction.  
9

10 1320. Defendants engaged in misleading, false, unfair or deceptive acts or practices that  
11 violated the Wyoming CPA by installing, failing to disclose and actively concealing the illegal  
12 defeat device and the true cleanliness and performance of the "clean" diesel engine system, by  
13 marketing its vehicles as legal, reliable, environmentally clean, efficient, and of high quality, and  
14 by presenting itself as a reputable manufacturer that valued environmental cleanliness and  
15 efficiency, and that stood behind its vehicles after they were sold.  
16

17 1321. The Clean Air Act and EPA regulations require that automobiles limit their  
18 emissions output to specified levels. These laws are intended for the protection of public health  
19 and welfare. "Defeat devices" like those in the Fraudulent Vehicles are defined and prohibited  
20 by the Clean Air Act and its regulations. *See* 42 U.S.C. § 7522(a)(3)(B); 40 CFR § 86.1809. By  
21 installing illegal "defeat devices" in the Fraudulent Vehicles and by making those vehicles  
22 available for purchase, Defendants violated federal law and therefore engaged in conduct that  
23 violates the Wyoming CPA.  
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25 1322. Defendants knew the true nature of its "clean" diesel engine system, but concealed  
26 all of that information until recently. Defendants were also aware that it valued profits over  
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1 environmental cleanliness, efficiency, and compliance with the law, and that it was  
2 manufacturing, selling, and distributing vehicles throughout the United States that did not  
3 comply with EPA regulations. Defendants concealed this information as well.

4 1323. Defendants intentionally and knowingly misrepresented material facts regarding  
5 the Fraudulent Vehicles with intent to mislead Plaintiffs.  
6

7 1324. Defendants knew or should have known that their conduct violated the Wyoming  
8 CPA.

9 1325. Defendants owed Plaintiffs a duty to disclose the illegality and public health and  
10 safety risks of the Fraudulent Vehicles because they:

11 A. possessed exclusive knowledge that they were manufacturing, selling,  
12 and distributing vehicles throughout the United States that did not comply with EPA  
13 regulations;  
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15 B. intentionally concealed the foregoing from regulators and Plaintiffs;  
16 and/or  
17

18 C. made incomplete representations about the environmental cleanliness  
19 and efficiency of the Fraudulent Vehicles generally, and the use of the defeat device  
20 in particular, while purposefully withholding material facts from Plaintiffs that  
21 contradicted these representations.  
22

23 1326. Defendants concealed the illegal defeat device and the true emissions, efficiency,  
24 and performance of the “clean” diesel system, resulting in a raft of negative publicity once the  
25 defects finally began to be disclosed. The value of the Fraudulent Vehicles has therefore greatly  
26 diminished. In light of the stigma attached to those vehicles by Defendants’ conduct, they are  
27 now worth significantly less than they otherwise would be worth.  
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1           1327. Defendants’ fraudulent use of the “defeat device” and its concealment of  
2 the true characteristics of the “clean” diesel engine system were material to Plaintiffs.

3           1328. Defendants’ unfair or deceptive acts or practices were likely to and did in fact  
4 deceive regulators and reasonable consumers, including Plaintiffs, about the true environmental  
5 cleanliness and efficiency of Jeep- and Ram-branded vehicles, the quality of the Jeep and Ram  
6 brands, the devaluing of environmental cleanliness and integrity at Fiat Chrysler, and the true  
7 value of the Fraudulent Vehicles.  
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9           1329. Plaintiffs suffered ascertainable loss and actual damages as a direct and proximate  
10 result of Defendants’ misrepresentations and its concealment of and failure to disclose material  
11 information. Plaintiffs who purchased or leased the Fraudulent Vehicles would not have  
12 purchased or leased them at all and/or—if the Fraudulent Vehicles’ true nature had been  
13 disclosed and mitigated, and the Fraudulent Vehicles rendered legal to sell—would have paid  
14 significantly less for them. Plaintiffs also suffered diminished value of their vehicles, as well as  
15 lost or diminished use.  
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18           1330. Defendants had an ongoing duty to all their customers to refrain from unfair and  
19 deceptive practices under the Wyoming CPA. All owners of Fraudulent Vehicles suffered  
20 ascertainable loss in the form of the diminished value of their vehicles as a result of Defendants’  
21 deceptive and unfair acts and practices made in the course of Defendants’ business.  
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23           1331. Defendants’ violations present a continuing risk to Plaintiffs as well as to the  
24 general public. Defendants’ unlawful acts and practices complained of herein affect the public  
25 interest.  
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27           1332. As a direct and proximate result of Defendants’ violations of the Wyoming CPA,  
28 Plaintiffs have suffered injury-in-fact and/or actual damage.







1           1347. The Clean Air Act requires manufacturers of light-duty vehicles to provide two  
2 federal emission control warranties: a “Performance Warranty” and a “Design and Defect  
3 Warranty.”

4           1348. The EPA requires vehicle manufacturers to provide a Performance Warranty with  
5 respect to the vehicles’ emission systems. Thus, FCA also provides an express warranty for its  
6 vehicles through a Federal Emissions Performance Warranty. The Performance Warranty  
7 required by the EPA applies to repairs that are required during the first two years or 24,000  
8 miles, whichever occurs first, when a vehicle fails an emissions test. Under this warranty, certain  
9 major emission control components are covered for the first eight years or 80,000 miles,  
10 whichever comes first. These major emission control components subject to the longer warranty  
11 include the catalytic converters, the electronic emission control unit, and the onboard emission  
12 diagnostic device or computer.  
13

14           1349. The EPA requires vehicle manufacturers to issue Design and Defect Warranties  
15 with respect to their vehicles’ emission systems. Thus, Defendants also provide an express  
16 warranty for their vehicles through a Federal Emission Control System Defect Warranty. The  
17 Design and Defect Warranty required by the EPA covers repair of emission control or emission  
18 related parts which fail to function or function improperly because of a defect in materials or  
19 workmanship. This warranty provides protection for two years or 24,000 miles, whichever  
20 comes first, or, for the major emission control components, for eight years or 80,000 miles,  
21 whichever comes first.  
22

23           1350. As manufacturers of light-duty vehicles, Defendants were required to provide these  
24 warranties to purchasers or lessees of their “clean” diesel vehicles.  
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1           1351. Defendants' warranties formed a basis of the bargain that was reached when  
2 Plaintiffs and purchased or leased their Fraudulent Vehicles equipped with the non-compliant  
3 "clean" diesel engine and emission systems.

4           1352. Plaintiffs experienced defects within the warranty period. Despite the existence of  
5 warranties, Defendants failed to inform Plaintiffs that the Fraudulent Vehicles were intentionally  
6 designed and manufactured to be out of compliance with applicable state and federal emissions  
7 laws, and failed to fix the defective emission components free of charge.

8  
9           1353. Defendants breached the express warranty promising to repair and correct a  
10 manufacturing defect or materials or workmanship of any parts they supplied. Defendants have  
11 not repaired or adjusted, and have been unable to repair or adjust, the Fraudulent Vehicles'  
12 materials and workmanship defects.

13  
14           1354. Furthermore, the limited warranty promising to repair and/or correct a  
15 manufacturing defect fails in its essential purpose because the contractual remedy is insufficient  
16 to make Plaintiffs whole and because Defendants have failed and/or have refused to adequately  
17 provide the promised remedies within a reasonable time.

18  
19           1355. Accordingly, recovery by Plaintiffs is not restricted to the limited warranty  
20 promising to repair and/or correct a manufacturing defect, and Plaintiffs seek all remedies as  
21 allowed by law.

22  
23           1356. Also, as alleged in more detail herein, at the time Defendants warranted and sold  
24 or leased the Fraudulent Vehicles, they knew that the Fraudulent Vehicles were inherently  
25 defective and did not conform to their warranties; further, Defendants had wrongfully and  
26 fraudulently concealed material facts regarding the Fraudulent Vehicles. Plaintiffs were  
27 therefore induced to purchase or lease the Fraudulent Vehicles under false and/or fraudulent  
28

1 pretenses.

2 1357. Moreover, many of the injuries flowing from the Fraudulent Vehicles cannot be  
 3 resolved through the limited remedy of “replacements or adjustments,” as many incidental and  
 4 consequential damages have already been suffered because of Defendants’ fraudulent conduct  
 5 as alleged herein, and because of their failure and/or continued failure to provide such limited  
 6 remedy within a reasonable time, and any limitation on Plaintiffs’ remedies would be  
 7 insufficient to make Plaintiffs.  
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9 1358. Finally, because of Defendants’ breach of warranty as set forth herein, Plaintiffs  
 10 assert, as additional and/or alternative remedies, the revocation of acceptance of the goods and  
 11 the return to Plaintiffs of the purchase or lease price of all Fraudulent Vehicles currently owned  
 12 or leased, and for such other incidental and consequential damages as allowed.  
 13

14 1359. Defendants were provided notice of these issues by numerous complaints filed  
 15 against them, including the instant Complaint, within a reasonable amount of time after Fiat  
 16 Chrysler was accused by the EPA and CARB of using a defeat device in the Fraudulent  
 17 Vehicles to evade clean air standards.  
 18

19 1360. As a direct and proximate result of Defendants’ breach of express warranties,  
 20 Plaintiffs have been damaged in an amount to be determined at trial.  
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## 22 **X. REQUEST FOR RELIEF**

23 **WHEREFORE**, Plaintiffs respectfully request that the Court enter judgment in their  
 24 favor and against Defendants, as follows:

- 25 A. An order temporarily and permanently enjoining Defendants from continuing the  
 26 unlawful, deceptive, fraudulent, and unfair business practices alleged in this  
 27 Complaint;  
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- 1 B. Injunctive relief in the form of a recall or free replacement;
- 2 C. A declaration that the defeat device software in the Fraudulent Vehicles is illegal
- 3 and that the Fraudulent Vehicles are defective;
- 4 D. Costs, restitution, damages, and disgorgement in an amount to be determined at
- 5 trial;
- 6 E. Rescission of the Vehicle purchases or leases, including reimbursement and/or
- 7 compensation of the full purchase price of all Vehicles, including taxes, licenses,
- 8 and other fees;
- 9 F. Damages under the Magnuson-Moss Warranty Act and the RICO statute;
- 10 G. For treble and/or punitive damages as permitted by applicable laws;
- 11 H. An order requiring Defendants to pay both pre- and post-judgment interest on any
- 12 amounts awarded;
- 13 I. An award of costs and attorneys' fees; and
- 14 J. Such other or further relief as the Court may deem appropriate, just, and
- 15 equitable.
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#### 19 **XI. DEMAND FOR JURY TRIAL**

20 Pursuant to Federal Rule of Civil Procedure 38(b), Plaintiffs demand a trial by jury of any  
21 and all issues in this action so triable of right.

22 **DATED:** May 5, 2017.

HEYGOOD, ORR & PEARSON

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